

## ALBANY CITY COUNCIL AGENDA

**Wednesday, June 25, 2025**  
**6:00 p.m.**

Council Chambers, City Hall  
333 Broadalbin Street SW

Watch on YouTube: <https://www.youtube.com/user/cityofalbany>

Please help us get Albany's work done.

Be respectful and refer to the rules of conduct posted by the main door to the Chambers and on the website.

**1. Call to order and pledge of allegiance**

**2. Roll call**

**3. Adoption of consent agenda**

- a. Appointments [Pages 3-9]
  - 1) Appointing Jayseon Vance to the Human Relations Commission
  - 2) Appointing Douglas Hambley to the Library Board
  - 3) Appointing Councilor Chris Van Drimmelen to outside agencies
- b. Approval of minutes [Pages 10-16]
  - 1) June 9, 2025, work session
  - 2) June 11, 2025, city council meeting
- c. Adoption of resolution(s)
  - 1) Accept right of way dedication ST-22-06 – Glorietta Bay LLC- Geary Street Sidewalk [Pages 17-25] RES NO. \_\_\_\_\_
  - 2) Accept right of way dedication ST-25-03 – Glorietta Bay LLC (1) Salem Ave Overlay [Pages 26-34] RES NO. \_\_\_\_\_
  - 3) Accept right of way dedication ST-25-03 – Glorietta Bay LLC (2) Salem Ave Overlay [Pages 35-41] RES NO. \_\_\_\_\_
  - 4) Accept easement ST-25-03 – Thompson Twin Oaks, LLC- Salem Ave Overlay [Pages 42-47] RES NO. \_\_\_\_\_
  - 5) Accept 2023-2025 biennium appropriation transfer [Pages 48-50] RES NO. \_\_\_\_\_
  - 6) Accept abstract of votes, Linn and Benton County [Pages 51-54] RES NO. \_\_\_\_\_

MOTION: \_\_\_\_\_

**4. Presentations and Ceremonies**

- a. Street Maintenance Funding Discussion – Staci Belcastro [Pages 55-57]

**5. Public hearing(s)**

*Persons wanting to provide testimony during public hearings at city council meetings may:*

[albanyoregon.gov/council](http://albanyoregon.gov/council)



- 1- Email written comments to the staff contact, listed below, including your name and subject of the public hearing, before **noon on the day of the meeting**.
- 2- To testify virtually during the public hearing, register by emailing the staff contact, listed below, before **noon on the day of the meeting**, with your name; phone number; and if you are speaking for, against, or neutral on the project/subject. The mayor will call upon those who have registered to speak.
- 3- Appear in person at the meeting and register to speak using the sign-up sheet on the table.

- a. Real property-Sale of the 9<sup>th</sup> and Jackson Property(s) – Matthew Ruettgers [Pages 58-220]  
The staff contact for this public hearing is: [matthew.ruettgers@albanyoregon.gov](mailto:matthew.ruettgers@albanyoregon.gov)

**6. Recess to executive session** to discuss conduct deliberations with persons designated by the governing body to negotiate real property transactions in accordance with ORS 192.660 (2)(e).

**7. Reconvene for possible action**

**8. Public Comment**

**9. Action Items(s)**

- a. **Resolutions** – Adopt a supplemental budget for biennium 2023-2025 – Jeanna Yeager/Jenn Ambuehl [Pages 221-228] RES NO. \_\_\_\_\_
- b. **Adopt by motion-** Award of Contract for WL-25-01, 7<sup>th</sup> Avenue & Walnut Area Water Line – Bailey Smith [Pages 229-232]  
MOTION: \_\_\_\_\_

**10. Informational Briefings/Staff Reports**

- a. Community Development Block Grant Program Overview – Anne Catlin [Pages 233-239]
- b. Housing Implementation Plan Policy Proposals-CET/LIHRTE – Anne Catlin [Pages 240-275]
- c. Low Income Assistance Goals Discussion – Kayla Barber-Perrota [Verbal]

**11. Business from the Council**

**12. City Manager Reports**

**13. Recess to executive session** to conduct deliberations with persons designated by the governing body to carry on labor negotiations in according with ORS 192.660 (2)(d)

**14. Reconvene**

**15. Next meeting dates**

Monday, July 7, 2025; 4:00 p.m. work session  
Wednesday, July 9, 2025; 6:00 p.m. meeting

**16. Adjournment**

*This meeting is accessible to the public via video connection. The location for in-person attendance is accessible to people with disabilities. If you have a disability that requires accommodation, please notify city staff at least 48 hours in advance of the meeting at: [cityrecorder@albanyoregon.gov](mailto:cityrecorder@albanyoregon.gov)*

*Testimony provided at the meeting is part of the public record. Meetings are recorded, capturing both in-person and virtual participation, and are posted on the City website.*



**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager

**FROM:** Kinzi McIntosh, Communications & Engagement Specialist

**DATE:** June 12, 2025, for the June 25, 2025, City Council Meeting

**SUBJECT:** Appointments to Citizen Advisory Groups

### **Purpose:**

To appoint representatives to a vacant position on the Library Board and Human Relations Commission.

### **Background/Discussion:**

Mayor and councilors are tasked with ensuring the Citizen Advisory Groups are filled to capacity in order for them to fulfill their respective missions.

Council ratification of the following appointment to the Citizen Advisory Group:

#### **Human Relations Commission:**

- Jayseon (Jay) Vance, Ward 2 (Councilor Smith's appointment to fill a vacancy; term expires 12/31/27)

#### **Library Board:**

- Douglas Hambley, Ward 1 (Councilor Newton-Azorr's appointment to a new term; term expires 6/30/29)

Mayor and councilor appointments for any remaining vacancies on the City's citizen advisory groups will be submitted for approval at subsequent city council meetings.

### **Alternatives:**

1. Ratify the Councilmember recommended appointment.
2. Do not ratify the appointment.

### **Attachments:**

1. Human Relations Commission Application

2. Library Board Application





# Citizen Advisory Group Application

Applying To **Human Relations Commission**

Received **June 5, 2025**

Name **Jayeson (Jay) (Jay) Vance**

In City Limits? **Yes (Ward 2)**

Are you currently employed? **Retired**

List current or most recent occupation, business, trade, profession, or area of study:

**National Park Ranger**

Please summarize what qualifications and experience you have that would apply to this position:

**US Department of the Interior, National Park Service, Golden Gate National Recreation Area, Alcatraz Island...**

**Park Ranger, meet and greet international audiences daily...provide guided tours, answer questions...insure people feel welcome September 2000 through March 2013.**

List community/civic activities in which you are or have been active:

**Albany Park Volunteer 2021 and continuing..associated with Oak Creek Wilderness Trail.  
Albany Regional Museum volunteer November 2024 through April 2025.**

How many Human Relations Commission meetings have you attended/viewed?

**None**

What is your understanding of the role of a Human Relations Commission member and what contributions do you hope to make to the commission?

**Being a good listener and observer...being willing to put myself in the place of another person and wanting all citizens to feel welcome and important.**

As part of its mission, the Human Relations Commission strives to reach out to the Albany community. Please describe your affiliations within the community that may aid the commission in this mission.

**Albany Regional Museum volunteer, met school groups, mentally challenged adult groups, senior groups..**

**Albany Parks Volunteer, met other volunteers, saw up close how homelessness impacts parks.**

Why are diversity, equity, and inclusion important to the community?

**I feel it is imperative that all people feel included and of value to make a community a healthy environment and lead all to a stronger sense of caring and belonging and assisting each other.**

Have you reviewed the meeting schedule for this commission and can you commit to regular meeting attendance?

Yes

I have read and understand the following: Members receive notice of meetings via email. Agendas and communications regarding the group are sent out via email. When unable to attend in person, meetings may be attended virtually via Zoom Videoconferencing. Absenteeism (excused and unexcused) or non-preparation for meetings could result in removal.

Yes

If there are currently no vacancies for this commission, would you like your application kept on file for the remainder of this recruitment period?

Yes

How did you hear about this opportunity? If from social media, please specify which site.

Nextdoor site dated post June 4, 2025





# Citizen Advisory Group Application

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Applying To **Library Board**

Received **May 30, 2025**

Name **Douglas Hambley**

In City Limits? **Yes (Ward 1)**

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Are you currently employed? **Retired**

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List current or most recent occupation, business, trade, profession, or area of study:

**Faculty Librarian at LBCC**

Please summarize what qualifications and experience you have that would apply to this position:

I have a Master of Library and Information Science degree from San Jose State University. I have worked in public, school, medical, and academic libraries, after having worked as an elementary school teacher. I have also worked for a vendor of services to libraries. I have long been an advocate for library services.

List community/civic activities in which you are or have been active:

- Currently serving on Board of Albany Civic Theater
- 17 years in local Rotary Clubs, former Club President
- formerly on Board of United Way of Linn County (now the United Way of Linn, Benton, and Lincoln Counties)
- on Steering Committee for Dolly Parton Imagination Library program for Linn, Benton and Lincoln Counties
- volunteer with Albany Parks Department on Adopt a Park and Digger programs
- active with Albany Area Chamber of Commerce, 2004-2011, 2024-present

How many Library Board meetings have you attended/viewed?

**None**

What is your understanding of the role of a Library Board member and what contributions do you hope to make to the board?

My understanding is that Library Board members act as an oversight committee for library operations and services. They act as advocates for the community to the library and city staff for library related services. They advise on setting priorities for library services.

When did you last visit the Albany Public Library? Tell us about your experience during that visit.

**Last week...I checked out a movie from the Carnegie branch. All went well.**

What role does the Albany Public Library play in making Albany a livable community?

I have always been an advocate for the library. I use it myself and encourage others to do so as well. The public library is a great resource for citizens of all ages and means. From children coming to story hour, to adults looking for jobs and needing access to the computers, to anyone who would like to check out a book or film or a growing number of other items...even small cooking appliances. Sometimes people just need a place to access Wi-Fi for schoolwork or other purposes. The APL also provides gatherings for a variety of groups, from young adult programs to the monthly programs put on by the Friends of the Library.

How can the Library Board improve policies and services offered by the Albany Public Library?

There are always more opportunities to offer additional services or service hours, but it is necessarily limited by financial resources.

Have you reviewed the meeting schedule for this board and can you commit to regular meeting attendance?

Yes

I have read and understand the following: Members receive notice of meetings via email. Agendas and communications regarding the group are sent out via email. When unable to attend in person, meetings may be attended virtually via Zoom Videoconferencing. Absenteeism or non-preparation for meetings could result in removal.

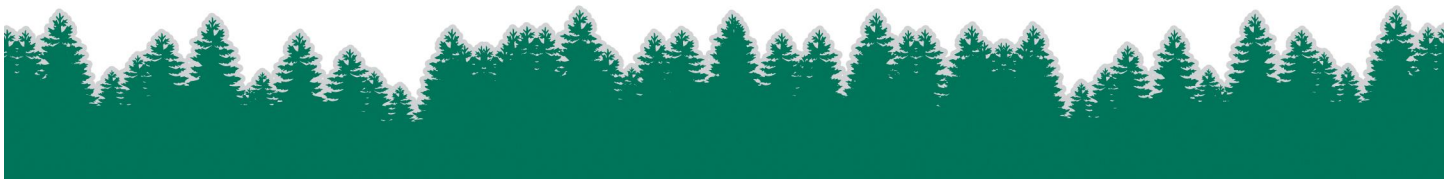
Yes

If there are currently no vacancies for this board, would you like your application kept on file for the remainder of this recruitment period?

Yes


How did you hear about this opportunity? If social media, please specify.

Councilor Stephanie Newton-Azor





**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager 

**FROM:** Kinzi McIntosh, Communications & Engagement Specialist

**DATE:** June 12, 2025, for the June 25, 2025, City Council Meeting

**SUBJECT:** Appointments to Outside Agencies

### **Purpose:**

To appoint representatives to a vacant position on the Albany-Millersburg Joint Water/Wastewater Management Committee and Cascades West Area Commission on Transportation.

### **Background/Discussion:**

Mayor and councilors are tasked with ensuring the outside agencies are filled to capacity in order for them to fulfill their respective missions.

Council ratification of the following appointment to the outside agencies:

#### **Albany-Millersburg Joint Water/Wastewater Management Committee:**

- Chris Van Drimmelen, Ward 2

#### **Cascades West Area Commission on Transportation:**

- Chris Van Drimmelen, Ward 2

Mayor and councilor appointments for any remaining vacancies on the City's citizen advisory groups or outside agencies will be submitted for approval at subsequent city council meetings.

### **Alternatives:**

1. Ratify the Councilmember recommended appointment.
2. Do not ratify the appointment.

### **Attachments:**

None



## MINUTES

Monday, June 09, 2025

Work Session

Council Chambers, City Hall

Approved: Draft

### Call to Order

Mayor Alex Johnson called the meeting to order at 4:00 p.m.

### Roll Call

Councilors present: Mayor Alex Johnson and Councilors Steph Newton, Carolyn McLeod, Chris Van Drimmelen, Marilyn Smith, and Michael Thomson (arrived 4:04 p.m.)

Councilors absent: Ramycia McGhee was excused.

### Public Comment

**4:00 p.m.**

There was none.

### Street Maintenance Funding Opinion Research

**4:01 p.m.**

City Engineer Staci Belcastro introduced John Horvick with DHM Research. He provided an overview of opinion research completed to understand the community views on Albany streets and gauge support on funding mechanisms to maintain the streets. Belcastro said an interim check-in has been added to the June 23, 2025 work session to discuss if a gas tax should be moved to a 2026 election to allow time for a strategic campaign.

DHM and Conser shared a PowerPoint presentation\* with the research findings.

Thomson said there is talk at the state level about a gas tax under HB 2025 and asked if that money from the state could be used on residential streets. Belcastro said the state gas tax isn't restrictive and more information will be available at the June 23, 2025 meeting.

Smith said she supports postponing a gas tax vote until the results of HB 2025 are received..

Johnson said he would like to see a calendar of upcoming ballot items for Linn and Benton county to help guide the Council with timing of city items on a ballot.

### Stormwater In-Lieu-of-Franchise Fee

**4:45 p.m.**

Assistant City Engineer Robert Emmons said the stormwater utility established in 2017 does not have an in-lieu-of-franchise fee (ILFF) established. Emmons said staff are proposing the establishment of an ILFF for stormwater utility to match the ILFF for water and wastewater utilities. He said it would be a 7% ILFF which would go into the Street fund and help fund street maintenance. Emmons said this will be brought back to the June 11, 2025, Council meeting for approval of an ordinance which amends Albany Municipal Code title 12.30, stormwater utility.

### Storm Drainage SDC Phase-In Step

**4:50 p.m.**

Emmons said on November 8, 2023 the Council adopted a new storm drainage System Development Charge. He said Council decided at the time to phase in the SDC in five equal steps, to lessen the impact on development. Staff recommend initiating the second phase-in step.

McLeod asked if this would increase fees on residents' bills. Emmons said this would only impact new development/construction which includes commercial and residential.

Newton asked if there are any exemptions, reductions, or credits for green infrastructure or low impact stormwater design. Public Works Director Chris Bailey said the fee is based on impervious surface calculated based on the measured area.

It was general council consensus to bring this resolution back to the June 11, 2025 city council meeting.

### Business from the Council

**4:56 p.m.**

Newton asked if staff can look at adding a stop sign at Elm St. and 12<sup>th</sup> Ave.

McLeod said she took a tour of city parks with Parks & Recreation Director Kim Lyddane and attended the town hall with Congresswoman Janelle Bynum.

Johnson said he also attended the town hall with Congresswoman Janelle Bynum and reminded everyone of the four-week summer recess city council has coming up in July.

Van Drimmelen said he is excited to be on council and thanked City staff for their support.

City Manager Report

**5:02 p.m.**

City Manager Peter Troedsson welcomed Chris Van Drimmelen as the new council member for Ward 2.

Recess to Executive Session to consider matters relating to the safety of the governing body and of public body staff and volunteers and the security of public body facilities and meeting spaces in accordance with ORS 192.660 (2)(O).

The council recessed into the Executive Session at 5:06 p.m.

Reconvene

The council re-entered regular session at 5:27 p.m.

Next Meeting Dates

Wednesday, June 11, 2025; 6:00 p.m. City Council Meeting

Wednesday, June 18, 2025; 6:00 p.m. City Council Special Meeting

Monday, June 23, 2025; 4:00 p.m. Work Session

Wednesday, June 25, 2025; 6:00 p.m. City Council Meeting

ADJOURNMENT

There being no other business, the meeting was adjourned at 5:27 p.m.

Respectfully submitted,

Reviewed by,

Makenna Kackley  
Deputy City Recorder

Peter Troedsson  
City Manager

*\*Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing [cityclerk@albanyoregon.org](mailto:cityclerk@albanyoregon.org).*



## MINUTES

Wednesday, June 11, 2025

Meeting

Council Chambers, City Hall

Approved: DRAFT

### Call to Order and Pledge of Allegiance

Mayor Johnson called the meeting to order at 6:13 p.m. The Mayor led the pledge of allegiance.

### Oath of Office City Council Ward 2

City Recorder Erik Glover administered the Oath of Office for Chris Van Drimmelen at 6:15 p.m.

### Roll Call

Councilors present: Mayor Johnson, and Councilors Carolyn McLeod, Marilyn Smith, Michael Thomson, Steph Newton, and Chris Van Drimmelen

Councilors absent: Ramycia McGhee was excused.

### **Adoption of consent agenda**

- a. Approval of minutes
  - 1) May 28, 2025, city council meeting
- b. Recommendation(s) to OLCC
  - 1) Approve renewal of annual liquor licenses
- c. Adoption of resolution(s)
  - 1) Accept Right of Way Dedication Betty Gambone ST-22-06, Geary Street Sidewalk RES NO. 7422

**MOTION:** Smith moved to adopt the consent agenda as presented. Van Drimmelen seconded the motion which passed 5-0.

### **Public hearing(s)**

#### State Shared Revenues

1. Declare eligibility to receive state shared revenues
2. Elect to receive state shared revenues

**OPEN:** Johnson opened the public hearing at 6:18 p.m.

**Staff report:** Deputy City Manager Kayla Barber-Perrota said Council is being asked to approve resolutions stating we are eligible to receive state shared revenues and allocating them. She said the state shared revenues are approximately \$1.5M this biennium.

**Public Testimony:** There was none.

**CLOSE:** Johnson closed the public hearing at 6:19 p.m.

Johnson II asked for an explanation of state shared revenue. Finance Director Jeanna Yeager said we receive funding from the state for cigarette, marijuana, and alcohol taxes. Some of it is based upon what is in the city and there is a complicated formula used based on population, how much comes in, and how much is collected which is distributed to cities throughout the state. She said this includes gas tax which can only be used for transportation or street maintenance.

**MOTION:** Smith moved to adopt both resolutions in one vote to declare eligibility to receive state shared revenues designated RES NO. 7423 and electing to receive state shared revenues designated RES NO. 7424. Van Drimmelen seconded the motion, which passed 5-0.

### Adoption of the 2025-2027 Biennium Budget

**OPEN:** Johnson opened the public hearing at 6:21 p.m.

**Staff Report:** Barber-Perrota shared a PowerPoint presentation\* and discussed the budget process, what the budget does, low-income assistance, next steps, and action for tonight's meeting.



**Public Testimony:** Erik Rau said he is a resident of Albany and serves on the Public Safety Commission. He spoke on three items in relation to the city services fee: transparency, change, and complexity. Rau said when people look at a fee added to a bill or providing revenue to the government there tends to be push back. He spoke on items in favor of having the city services fee including the transparency from staff, having the budget available on the website, and tools to explore the budget. Rau thanked staff liaisons for the Public Safety Commission for their transparency and answering questions. He appreciates the city asking departments to do more under changing circumstances.

Brad Dennis said he spoke three years ago about the concern of a city services fee. He said at that time he questioned if the city services fee was a tax and gave examples of local option levys that weren't attached to utility billing. Dennis said the city has the right to increase the city services fee without voting and said his question was if it is the right thing to do and if an increase should go to a vote. He said \$3M should be set aside from the city services and put on the next election for people to vote on. Dennis said you can't directly tie this fee to any service he is getting, which is why he is calling it a tax.

Maria Rice said she was here as the budget was being discussed several weeks ago and she asked several questions because it wasn't clear to her. She said she was invited to speak with various staff and received clarity. She said she appreciates this because it helped her understand how decisions are made regarding the budget and service fees which she is in support of. Rice said it is the councilor's responsibility to make sure people in their wards understand how these decisions are being made.

**CLOSED:** Johnson closed the public hearing at 6:45 p.m.

**Staff response to testimony:** Barber-Perrota said a tax is looking at something that is calculated based upon a value for a property, which determines a tax that feeds into a funding source to the city. She said a fee works in the opposite direction and the city assess the cost of critical services such as fire, police, parks, library etc. and then determine apportionment of cost.

**Discussion:** Smith said she was here three years ago when the discussion of the city services fee happened. She said there is a difference between a tax and fee. Smith said taxes are paid by property owners and not everyone is a property owner. A city services fee is associated with everyone who has a utility account; it reaches more who utilize city services.

Newton said she is still concerned about the low-income assistance program and is hesitant to increase any fees when not seeing results of the revamped low-income program. Barber-Perrota said staff asked Community Services Consortium to remove the additional barrier about two weeks ago. This will be the first applicant period coming up and it will take a few cycles to receive the data.

Thomson said he liked a lot of changes in the budget.

McLeod said there were a lot of good points made about the budget tonight.

Troedsson said the city services fee resolution came after the budget was from direction from the Budget Review Committee. He said if the city services fee is not passed then adjustments will be made.

McLeod asked what happens if the city doesn't adopt the budget tonight? Barber-Perrota said it will be brought back June 18, 2025 and if a budget doesn't pass by the time the next budget period starts, the State of Oregon does not allow a city to operate once the new fiscal year starts.

Johnson asked if those enrolled in the low-income assistance program are auto enrolled in the new system? Barber-Perrota said they must reapply every year.

Van Drimmelen said he likes what he hears about long term investments in the stability of the city.

**MOTION:** Smith made a motion to adopt the budget as presented, Van Drimmelen seconded the motion which failed 2-3. (Smith, Van Drimmelen, yes) (Newton, Thomson, McLeod, no.) If a motion fails for lack of 4 votes, it automatically comes back to the next meeting.

#### Planning Division Fee Adjustments

David Martineau, Current Planning Manager said that planning fees are customarily adjusted with inflation. The year-to-year increase in the April U.S. Bureau of Labor and Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The April 2025 CPI-W figure (314.243) represents a 2.09 percent increase.

**MOTION:** Smith moved to adopt the resolution, Van Drimmelen seconded the motion which passed 5-0 and was designated as RES NO. 7425.

**Public Comment**

**7:34 p.m.**

Sue Horvath said she lives in North Albany and suggests a flashing 20mph sign so drivers know when the school zone speed is in effect.

Cynthia Hightower said that she works at a business with construction impacting the parking area. She said that it wasn't possible to park on South Shore due to a lack of sidewalk and it being unsafe. She requested a temporary parking permit for construction during North Shore construction project.

Lise Grato, Director of the Albany Downton Association provided a downtown update and said that it was the 43<sup>rd</sup> year of the association.

**Action Item(s)**

**7:54 p.m.**

Ordinance- Stormwater In-Lieu-of-Franchise Fee

Assistant City Engineer Robert Emmons said that a presentation was made at the June 09 work session. The fee will be set at 7% of stormwater revenue, and deposited in the street fund.

Kidd read the ordinance in title only.

**MOTION:** Smith moved to read the ordinance a second time in title only, Van Drimmelen seconded and the motion passed 5-0.

McLeod asked if the fee would be going on utility bills? Emmons said that it would be directed to the street fund, but it is not a new fee, rather an internal transfer within the funds.

**MOTION:** Van Drimmelen moved to adopt the ordinance, Newton seconded the motion and it passed 5-0 and was designated as ORD NO. 6063.

Resolution- Storm Drainage System Development Charge Second Phase

Assistant City Engineer Robert Emmons said that a presentation was made at the June 09 work session.

**MOTION:** Van Drimmelen moved to adopt the resolution, Newton seconded the motion which passed 5-0, and was designated RES NO. 7426.

Resolution- Adjustments to the City Services Fee Rate to Support the Recommended 2025-2027 Budget

**7:58 p.m.**

Deputy City Manager Kayla Barber-Perrotta introduced the item.

**MOTION:** McLeod moved to table the discussion of this item to 06-18-2025, Newton seconded the motion which failed 3-2. (McLeod, Newton, Thomson yes) (Smith, Van Drimmelen, no.) If a motion fails for lack of 4 votes, it automatically comes back to the next meeting.

Barber-Perrotta said the low income assistance portion of the city services fee can be discussed. The council could decide to fully forgive the fee for low income assistance customers. On the city services fee side, it was estimated to be around \$15,000 in budget impact.

Discussion of multifamily rates, implementation date, and amendments to the resolution were heard.

It was general council consensus to proceed with adoption, with the amendments of delaying implementation to October 1, 2025. Further to direct staff to bring back a proposal or proposals of options to adjust the CSF for low income assistance customers, with the goal of implementing by October 1. Barber-Perrotta said that those discussions would likely take place in the July or August council meetings.

**MOTION:** Van Drimmelen moved to adopt the resolution, with the amendment of revised effective date of October 1, 2025, and direct staff to bring back recommendations for the feasibility of adjusting the low-income assistance program for implementation on October 1. Smith seconded the motion, which passed 4-1 with Thomson no, and was designated as RES NO. 7431.

Resolution- 2026-2030 Capital Improvement Program Adoption

**8:23 p.m.**

Director of Public Works Chris Bailey said that a work session was held between the council, budget review committee, and planning commission to review the document, and the document has been available for public comment.

**MOTION:** Smith moved to adopt the resolution, Van Drimmelen seconded the motion which passed 5-0, and was designated RES NO. 7427.

Resolution- Intergovernmental Agreement (IGA) with Central Oregon Community College for student EMT internship **8:24 p.m.**

Fire Chief Chris Labelle and Deputy Fire Chief Kevin Vining presented. Labelle said that the item was to enter into an IGA with COCC for a paramedic student internship program. Recruiting is a challenge in modern times, and this opportunity would be a great way to showcase the department to current students.

**MOTION:** McLeod moved to adopt the resolution, Van Drimmelen seconded the motion which passed 5-0, and was designated RES NO. 7428.

Resolution- Exemption from Competitive Bidding and Special Procurement for Crisis Intervention and Peer Support Training **8:26 p.m.**

Assistant Fire Chief Kevin Vining said that the request was to enter into a one-year contract with the Center for Developing Hope, using a special procurement for peer support services. The Albany Fire Department has had an active peer support team for several years.

**MOTION:** McLeod moved to adopt the resolution, Van Drimmelen seconded the motion was passed 5-0, and was designated as RES NO. 7429.

Resolution- Street Tree Planting Fees **8:28 p.m.**

Parks and Recreation Director Kim Lyddane presented and said that in 2007 the City established the ability for the City to plant street trees, and charge developers, as a service. She said that the resolution has not been updated in a while.

McLeod asked why the fee was proposed to increase from \$250, to \$1,500. Lyddane said that it accounts for all the staff time to purchase, plant, and take care of the tree for three years. McLeod said that she was concerned about developers who did not want to pay the increased fee, who would plant the trees and leave the care up to adjoining property owners.

Community Developer Director Matthew Ruettgers said that street trees are required for new developers, and they currently have the option to pay the in lieu fee which is \$250, rather than plant and maintain it themselves. Increasing the fee is only making it a more realistic cost, developers are still required to have bonds and warranty to cover the tree. In addition, City staff do inspections and monitor warranties.

**MOTION:** Thomson moved to adopt the resolution. Van Drimmelen seconded the motion, which passed 5-0, and was designated as RES NO. 7430.

**Informational Briefings/Staff Reports** **8:36 p.m.**

- a. East Albany Town Center Proposed Annexations

A brief intermission was called at 8:37 pm, and Council reconvened at 8:49 p.m. Community Development Director Matthew Ruettgers presented a powerpoint\* presentation.

**MOTION:** Smith moved to continue the City Council meeting past the 9:00 p.m. customary adjournment time. Newton seconded the motion which passed 4-1, with Van Drimmelen no.

Ruettgers provided an update on the conceptual renderings for the project, and said that any development would go through multiple land use processes, with associated public engagement, notification, and comment periods. He said that the goal tonight was to determine if the city council was interested in pursuing voluntary annexations, and to work towards drafting a development agreement with the EATC developer for future council consideration.

Discussion was held by council.

**MOTION:** Smith moved to direct staff to proceed with annexation of properties that want to be annexed for EATC concept, and further to authorize staff to negotiate and draft a development agreement for

future council consideration. Van Drimmelen seconded the motion which passed 4-1, with Thomson opposed.

**Business from the Council**

**9:19 p.m.**

McLeod said that she liked the concept of a flashing speed zone sign in North Albany. City Manager Peter Troedsson said a response will be brought back. Newton said she was also in favor of that concept.

Johnson said that he would like to hold a Community Conversation around the City Services Fee.

**City Manager Reports**

**9:24 p.m.**

Troedsson said that a report will be brought back on the flashing speed zone signs. A second budget meeting will be held June 18, 2025, and the June 23, 2025, meeting has been cancelled due to lack of business.

**Recess to executive session** to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed in accordance with ORS 192.660 (2)(h). **And** to consider the dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent who does not request an open hearing in accordance with ORS 192.660 (2)(b).

The executive session was entered at **09:28 p.m.**

**Reconvene**-The regular meeting was reentered at **10:00 PM**, no discussion or actions were taken.

**Next meeting dates**

Wednesday, June 18, 2025; 6:00 p.m. meeting  
Monday, June 23, 2025; 4:00 p.m. work session  
Wednesday, June 25, 2025; 6:00 p.m. meeting

**ADJOURNMENT**

There being no other business, the meeting was adjourned at 7:47 p.m.

Respectfully submitted,

Reviewed by,

Erik Glover  
City Recorder

Peter Troedsson  
City Manager

*\*Documents discussed at the meeting that are not in the agenda packet are archived in the record. Documents from staff are posted to the website after the meeting. Documents submitted by the public are available by emailing [cityclerk@albanyoregon.org](mailto:cityclerk@albanyoregon.org).*



**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager  
Chris Bailey, Public Works Director

**FROM:** Staci Belcastro, P.E., Assistant Public Works Director/City Engineer  
Carl Berg, Civil Engineer II  
Andrew Monaco, Civil Engineer I

**DATE:** June 9, 2025, for the June 25, 2025, City Council Meeting

A handwritten signature in blue ink, likely belonging to Peter Troedsson, City Manager.

**SUBJECT:** Accepting Right-of-Way Dedication as part of ST-22-06, Geary Street Sidewalk

### **Purpose:**

Approve a resolution that authorizes acceptance of right-of-way (ROW) dedication deed required to construct improvements for the project ST-22-06, Geary Street Sidewalk.

### **Background/Discussion:**

The Oregon Department of Transportation (ODOT) Safe Routes to School (SRTS) grant program is intended to fund construction of bicycle and pedestrian projects that address barriers to students walking and cycling to school. Projects must be within a one-mile radius of a qualifying school and require a 20 percent local match.

At the January 21, 2021, council meeting, council accepted a SRTS grant from ODOT for the construction of infill sidewalk on Geary Street between Grand Prairie Road to 34th Avenue and enhanced pedestrian crossings with Rectangular Rapid Flashing Beacons (RRFBs) at 28th Avenue and 31st Avenue. ROW is necessary from 26 properties where the existing width is insufficient to construct the proposed sidewalk. The grant award was based on an estimated total project cost for both construction and ROW acquisition of \$1,600,000. The required local match is \$320,000. The project will be bid this spring and construction of the infill sidewalk is anticipated to start this summer.

Execution of the dedication deeds included as Attachment 2 will provide additional ROW strip required to construct the Geary Street Sidewalk project. The legal description and map showing the ROW strip is included with Attachment 2 as Exhibits A and B. ROW has been negotiated with 21 of 26 properties, and 16 deeds have been executed.

### **Strategic Plan Impact:**

Construction of infill sidewalk on Geary Street meets Goal 2: Provide an efficient transportation system with safe streets and alternative modes of transportation, found under the Great Neighborhood theme in the city's adopted strategic plan.

**Budget/Staff Impact:**

Safe Routes to School Grant funding will cover 80 percent of the ROW costs. This project is identified in the City's Transportation System plan and assigned Transportation System Development Charge (TSDC) funding in the City's TSDC fee methodology; therefore, the 20 percent local match will be paid for with TSDC funds (25040255).

**Staff Recommendation:**

Staff recommends council approve the resolution (Attachment 1) authorizing acceptance ROW dedication deed (Attachment 2) required to construct improvements for ST-22-06, Geary Street Sidewalk.

**Alternatives:**

1. Approve resolution accepting ROW dedication from Glorietta Bay LLC.
2. Do not approve resolution accepting ROW dedication from Glorietta Bay LLC.

**Attachments:**

1. Glorietta Bay LLC Resolution
2. Glorietta Bay LLC Dedication Deed



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ACCEPTING THE FOLLOWING RIGHT-OF-WAY DEDICATION

Grantors

Glorietta Bay LLC

Purpose

Accepting a 2-foot-wide right-of-way dedication as part of project ST-22-06, Geary Street Sidewalk.

Tax Lot 11S03W17-CB-00500

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that it does hereby accept this dedication.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon passage by the council and approval by the mayor.

DATED AND EFFECTIVE THIS 25TH DAY OF JUNE 2025.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Recorder



**DEDICATION DEED**

KNOW ALL MEN BY THESE PRESENTS, that **Glorietta Bay, LLC**, hereinafter referred to as the Grantor, does dedicate to the City of Albany for street and utility right-of-way purposes, all that real property situated in Linn County, State of Oregon, described as follows:


See legal description on attached Exhibit A, and maps on attached Exhibits B & C. Exhibits A, B and C are attached herewith and made a part hereof this agreement.

and covenants that the Grantor is the owner of the above-described property free of all encumbrances save and except reservations in patents and easements, covenants, conditions, and restrictions of record, and will warrant and defend the same against all persons who may lawfully claim the same.

The deed granted herein is in consideration of \$3,600.00, receipt of which is acknowledged by the Grantor, and in further consideration of the public improvements to be placed upon said property and the benefits grantors may obtain therefrom.

IN WITNESS WHEREOF, the Grantor has hereunto fixed their hand and seal the day and year written below.

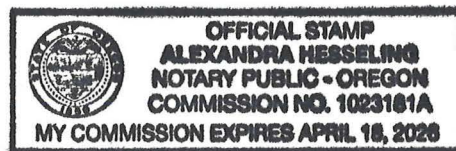
**GRANTOR:**

  
\_\_\_\_\_  
For **Glorietta Bay, LLC**

STATE OF OREGON  
County of Linn

The foregoing instrument was acknowledged before me this 29<sup>th</sup> day of May 2025,  
by Scott Lepman, Managing Member  
of Glorietta Bay.

  
\_\_\_\_\_  
Notary Public for Oregon





**CITY OF ALBANY:**

STATE OF OREGON       )  
County of Linn        ) ss.  
City of Albany        )

I, Peter Troedsson, as City Manager of the City of Albany, Oregon, pursuant to Resolution Number \_\_\_\_\_, do hereby accept on behalf of the City of Albany, the above instrument pursuant to the terms thereof this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

**EXHIBIT A**  
**Legal Description for Right-of-Way Dedication**

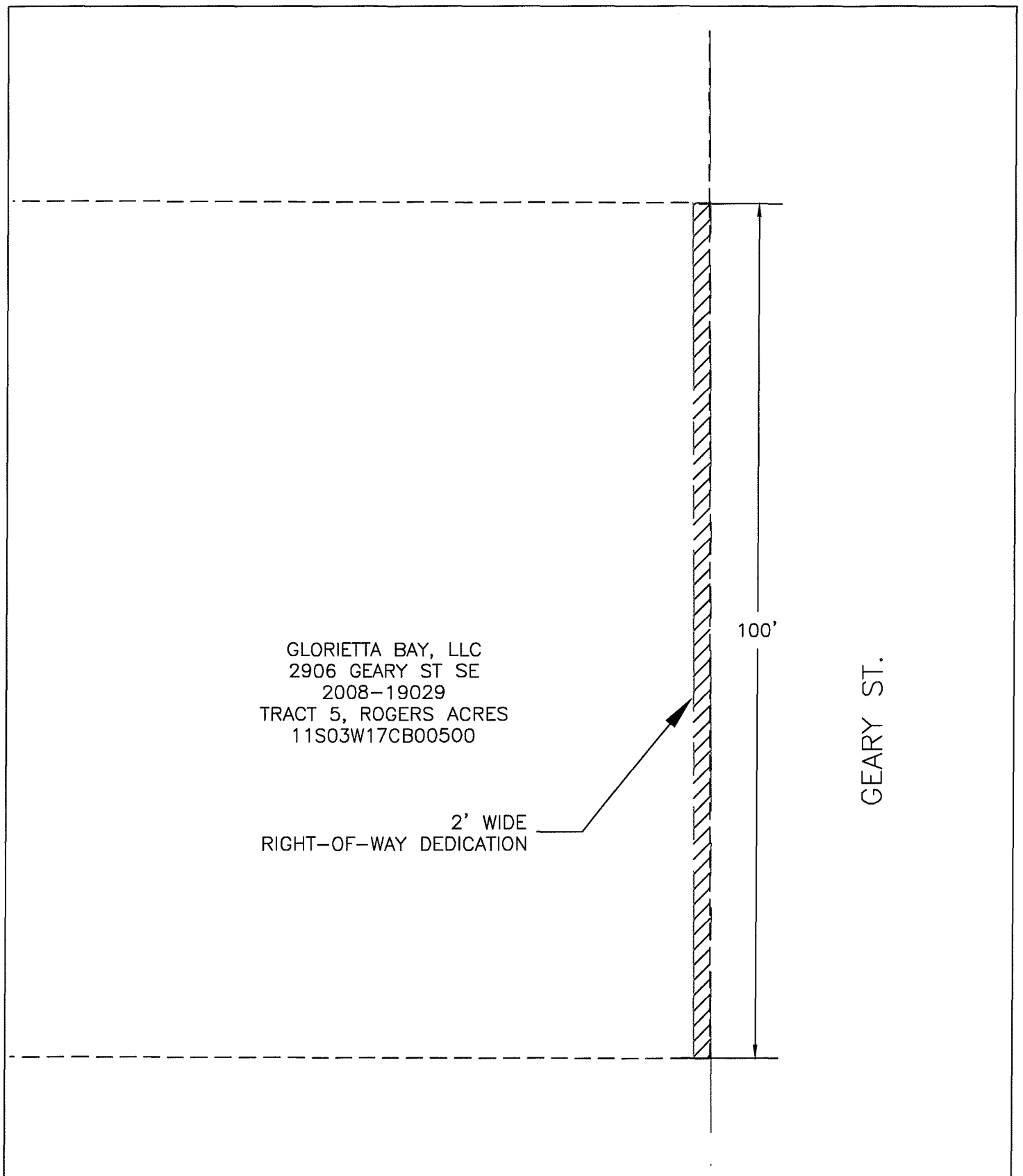
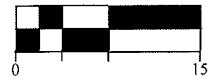
A 2-foot-wide strip of land, being a portion of that property described in Linn County Deed Reference No. 2008-19029, more particularly described below.

The Easterly 2 feet of Tract 5, Rodgers Acres, in the City of Albany, County of Linn, State of Oregon.

As shown on the attached maps labeled Exhibit B & C, attached hereto and made a part hereof this legal description.



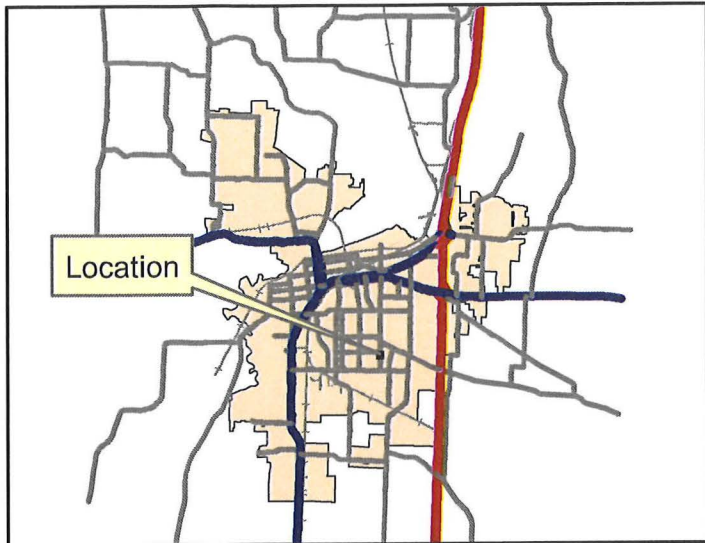
EXHIBIT B  
RIGHT-OF-WAY DEDICATION  
GLORIETTA BAY, LLC



# RIGHT-OF-WAY EXHIBIT C

11S03W17CB00500

A 2 Foot Right-of-Way Dedication  
as part of ST-22-06, Geary Street Sidewalk



Geographic Information Services



## Consent

The undersigned, holder of that certain \$70,000 Deed of Trust, (recorded in Linn County Oregon Deed Records 2014-16348) which encumbers the property with the attached right-of-way dedication, hereby consents to the above dedication and agrees that said dedication shall be a permitted exception under said Deed of Trust.

IN WITNESS WHEREOF, the undersigned has executed this consent as of this 5<sup>th</sup> day of May, 2025.

Financial Institution: Citizens Bank

By: Janice Stehle VP

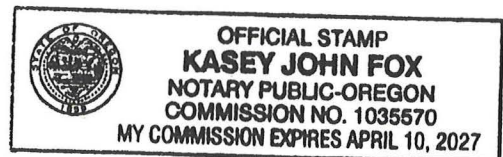
Name: Janice Stehle

Title: Vice President

STATE Oregon )  
County of Benton ) ss.  
City of Corvallis )

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of May, 2025 by Janice Stehle a VP of Citizens Bank, on behalf of said institution.

Kasey John Fox  
Notary Public for Oregon  
My Commission Expires: April 10, 2027





**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager  
Chris Bailey, Public Works Director

**FROM:** Staci Belcastro, P.E., Assistant Public Works Director/City Engineer  
Chris Cerklewski, P.E., Civil Engineer III  
Carl Berg, Civil Engineer II

**DATE:** June 9, 2025, for the June 25, 2025, City Council Meeting

A handwritten signature in blue ink, likely belonging to Peter Troedsson, City Manager.

**SUBJECT:** Accept Right-of-Way Dedications and Easement for Public Sidewalk and Franchise Utilities as part of ST-25-03, Salem Ave Overlay: UPRR to City Limits

### **Purpose:**

Approve two resolutions that authorize acceptance of right-of-way (ROW) dedication deeds and approve one resolution that authorizes acceptance of an easement for public sidewalk and franchise utilities required to construct improvements for the project ST-25-03, Salem Ave Overlay: UPRR to City Limits.

### **Background/Discussion:**

This project includes approximately 4,800 linear feet of asphalt pavement rehabilitation on Salem Avenue between the Union Pacific Railroad tracks and the Albany-Millersburg city limits, including construction of a mini-roundabout at Waverly Drive, new curb ramps and sidewalk repairs, and three crosswalks with rectangular rapid flashing beacons.

Execution of the dedication deeds included as Attachments 2 and 4 will provide additional ROW required to construct the mini-roundabout at the intersection of Salem Avenue and Waverly Drive. The legal descriptions and maps showing the ROW are included with Attachments 2 and 4 as Exhibits A, B, C, and D.

Execution of the easement included as Attachment 6 will provide additional area for sidewalk and utilities related to construction of the mini-roundabout at the intersection of Salem Avenue and Waverly Drive. The legal description and maps showing the easement area are included with Attachment 6 as Exhibits A, B, and C.

### **Strategic Plan Impact:**

Construction of the mini-roundabout meets Goal 2: Provide an efficient transportation system with safe streets and alternative modes of transportation, found under the Great Neighborhood theme in the city's adopted strategic plan.

**Budget/Staff Impact:**

This project will be funded from the Street Capital and Restoration fund (25040250).

**Staff Recommendation:**

Staff recommends council approve the resolutions (Attachments 1 and 3) authorizing acceptance of the ROW dedication deeds (Attachments 2 and 4) and approve the resolution (Attachment 5) authorizing acceptance of the easement for public sidewalks and franchise utilities (Attachment 6) required to construct improvements for ST-25-03, Salem Ave Overlay: UPRR to City Limits.

**Alternatives:**

1. Approve resolution accepting Taxlot 1000 ROW dedication from Glorietta Bay LLC.
2. Approve resolution accepting Taxlot 3701 ROW dedication from Glorietta Bay LLC.
3. Approve resolution accepting easement from Thompson Twin Oaks, LLC.
4. Do not approve resolution accepting Taxlot 1000 ROW dedication from Glorietta Bay LLC.
5. Do not approve resolution accepting Taxlot 3701 ROW dedication from Glorietta Bay LLC.
6. Do not approve the resolution accepting easement from Thompson Twin Oaks, LLC.

**Attachments:**

1. Glorietta Bay LLC Taxlot 1000 Resolution
2. Glorietta Bay LLC Taxlot 1000 Dedication Deed
3. Glorietta Bay LLC Taxlot 3701 Resolution
4. Glorietta Bay LLC Taxlot 3701 Dedication Deed
5. Thompson Twin Oaks LLC Resolution
6. Thompson Twin Oaks LLC Easement



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ACCEPTING THE FOLLOWING RIGHT-OF-WAY DEDICATION

Grantors

Glorietta Bay LLC

Purpose

Accepting a variable-width right-of-way dedication as part of project ST-25-03, Salem Avenue Overlay: UPRR to City Limits.

Tax Lot 11S03W05-DA-01000

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that it does hereby accept this dedication.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon passage by the council and approval by the mayor.

DATED AND EFFECTIVE THIS 25TH DAY OF JUNE 2025.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Recorder



## DEDICATION DEED

KNOW ALL MEN BY THESE PRESENTS, that **Glorietta Bay, LLC**, hereinafter referred to as the Grantor, does dedicate to the City of Albany for street and utility right-of-way purposes, all that real property situated in Linn County, State of Oregon, described as follows:

See legal description on attached Exhibit A, and maps on attached Exhibits B, C & D. Exhibits A, B, C and D are attached herewith and made a part hereof this agreement.

and covenants that the Grantor is the owner of the above-described property free of all encumbrances save and except reservations in patents and easements, covenants, conditions, and restrictions of record, and will warrant and defend the same against all persons who may lawfully claim the same.

The deed granted herein is in consideration of \$1.00, receipt of which is acknowledged by the Grantor, and in further consideration of the public improvements to be placed upon said property and the benefits grantors may obtain therefrom.

IN WITNESS WHEREOF, the Grantor has hereunto fixed their hand and seal the day and year written below.

**GRANTOR: Glorietta Bay, LLC**


  
\_\_\_\_\_  
Scott Lepman, Managing Member

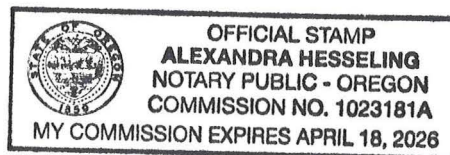
STATE OF OREGON )

County of Linn ) ss.

City of Albany )

The foregoing instrument was acknowledged before me this 29th day of May 2025, by Scott Lepman, Managing Member, as their voluntary act and deed.

  
\_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires: April 18, 2026



**CITY OF ALBANY:**

STATE OF OREGON )  
County of Linn ) ss.  
City of Albany )

I, Peter Troedsson, as City Manager of the City of Albany, Oregon, pursuant to Resolution Number \_\_\_\_\_, do hereby accept on behalf of the City of Albany, the above instrument pursuant to the terms thereof this \_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

**EXHIBIT A**  
**Legal Description for Right-of-Way Dedication**

A variable width right-of-way dedication of a portion of the property described by Linn County Deed Reference Volume 1136 Page 189, Linn County Assessor Tax Lot 3701 and more particularly as Tax Lot 3701 in Linn County Survey 25447 in the SE quarter of section 5, township 11 south, range 3 west of the Willamette Meridian, as described below.

From the SW corner of Tax Lot 3701, said point being the POINT OF BEGINNING on the north right-of-way line of Salem Avenue; thence N 73°56'15" E for 87.35 feet along the north right-of-way line of Salem Avenue to the TRUE POINT OF BEGINNING; thence N 66°48'27" E for 52.74 feet; thence N 51°59'13" E for 19.94 feet; thence N 31°34'28" E for 6.86 feet; thence N 1°39'00" W for 40.80 feet; thence N 88°21'00" E for 41.50 feet to the east property line of the above referenced property, thence S 1°39'00" E for 43.69 feet to the SE corner of said parcel on the north right-of-way line of Salem Avenue, thence S 62°34'25" W for 28.57 feet along the north right-of-way line of Salem Avenue, thence S 73°56'15" W for 87.33 feet along the north right-of-way line of Salem Avenue to the TRUE POINT OF BEGINNING. Total area 2,589 square feet, more or less.

As shown on the attached maps labeled Exhibit B, C & D, attached hereto and made a part hereof this legal description.

GLORIETTA BAY LLC  
2633 SALEM AVENUE SE  
TAX LOT 11S03W05DB03701  
LINN COUNTY DEED RECORDS  
VOL 1136 PAGE 189  
EXHIBIT A, NEW AREA "A"

RIGHT-OF-WAY DEDICATION  
2,589.02 SQUARE FEET

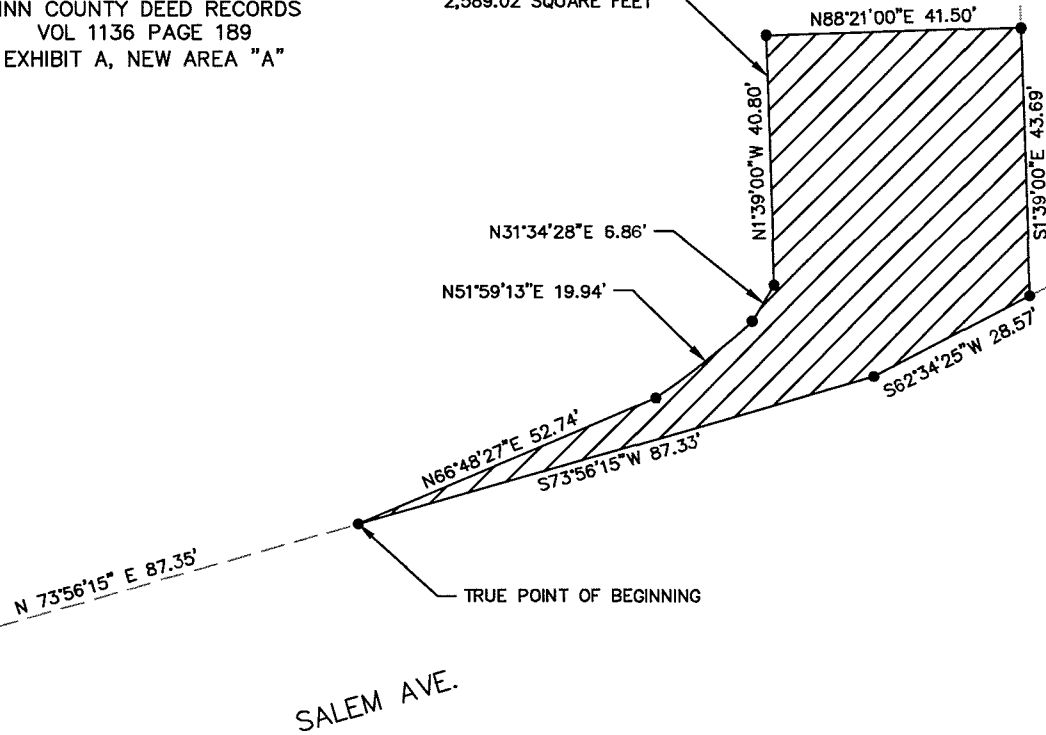
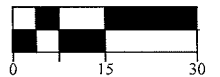


EXHIBIT B: RIGHT-OF-WAY DEDICATION MAP  
RIGHT-OF-WAY DEDICATION  
2633 SALEM AVE. SE  
GLORIETTA BAY LLC



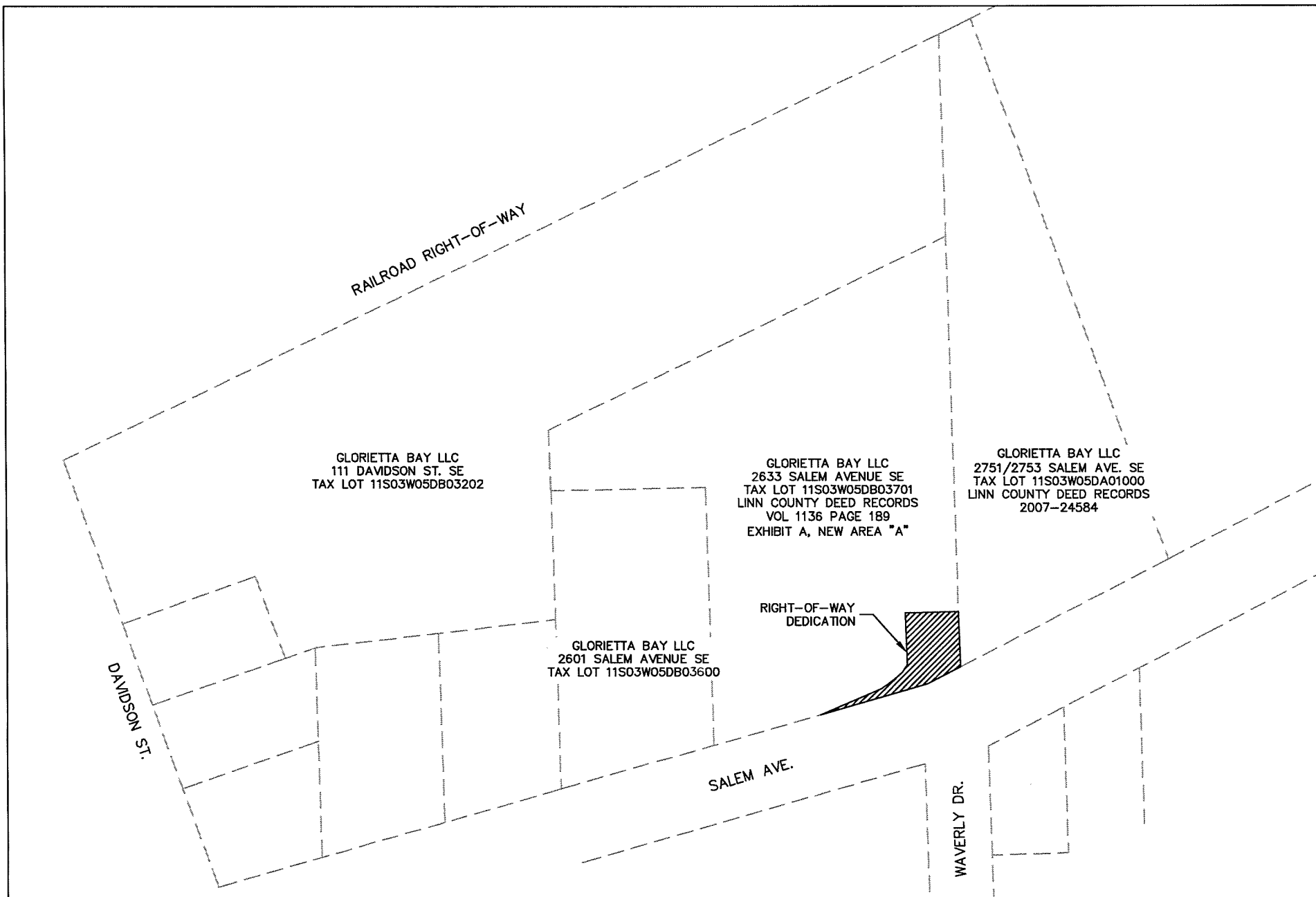
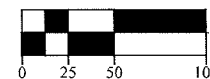


EXHIBIT C: AREA MAP  
RIGHT-OF-WAY DEDICATION  
2633 SALEM AVE. SE  
GLORIETTA BAY LLC



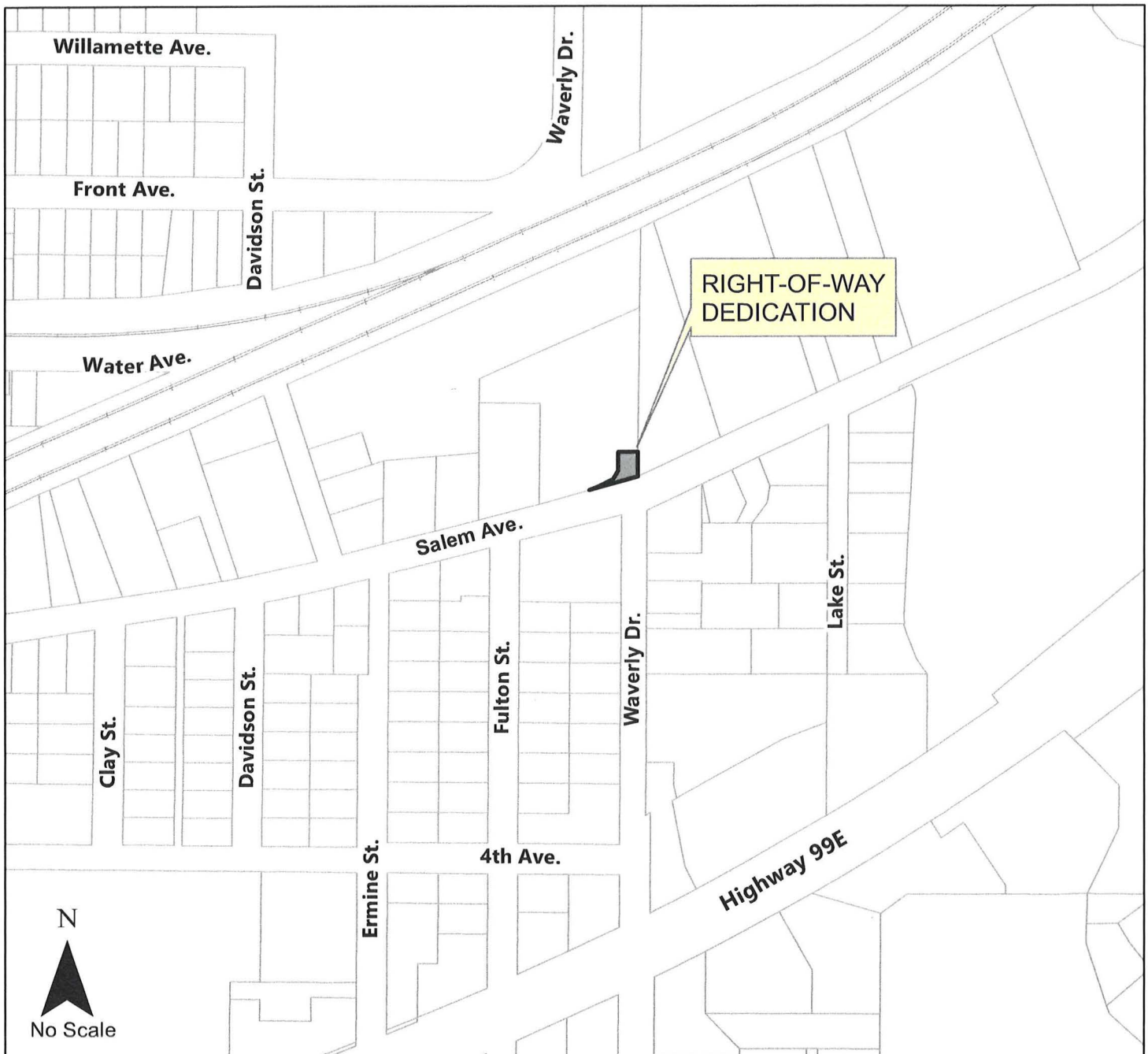
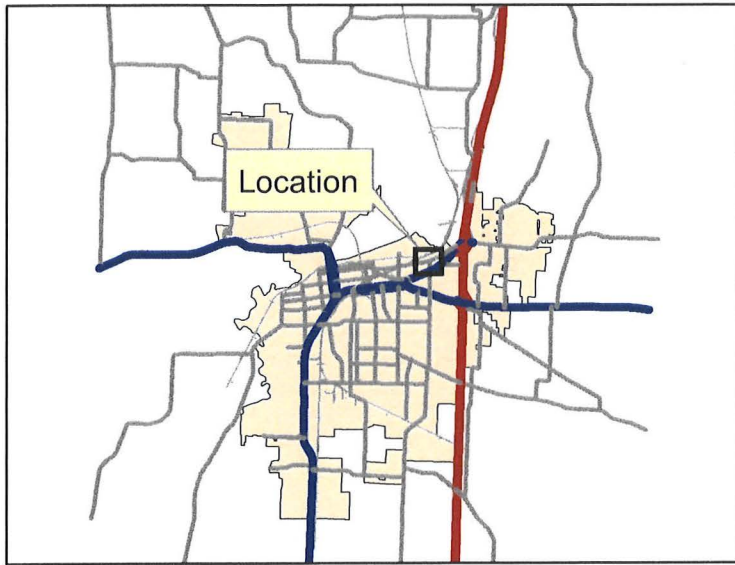
# EXHIBIT D: VICINITY MAP

**11S03W05DB03701**

A Right-of-Way Dedication as part  
of ST-25-03, Salem Avenue Overlay:  
UPRR to City Limits



*Geographic Information Services*



## Consent

The undersigned, holder of that certain \$135,000 Deed of Trust, (recorded in Linn County Oregon Deed Records 2007-24587) which encumbers the property with the attached right-of-way dedication, hereby consents to the above right-of-way dedication and agrees that said right-of-way shall be a permitted exception under said Deed of Trust.

IN WITNESS WHEREOF, the undersigned has executed this consent as of this 2<sup>nd</sup> day of June, 2025.

Financial Institution: Umpqua Bank

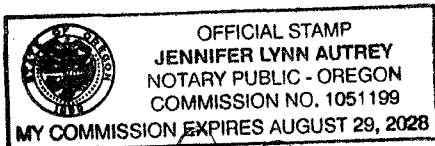
By: [Signature]

Name: Natalie Carter-Huntington

Title: Vice President

STATE Oregon )  
County of Lane ) ss.  
City of Eugene )

The foregoing instrument was acknowledged before me this 2<sup>nd</sup> day of June, 2025, by Natalie Carter-Huntington - vice president of, on behalf of said institution. umpqua Bank



[Signature]  
Notary Public for Oregon

My Commission Expires: August 29, 2028



## RESOLUTION NO. \_\_\_\_\_

### A RESOLUTION ACCEPTING THE FOLLOWING RIGHT-OF-WAY DEDICATION

Grantors

Glorietta Bay LLC

Purpose

Accepting a variable-width right-of-way dedication as part of project ST-25-03, Salem Avenue Overlay: UPRR to City Limits.

Tax Lot 11S03W05-DB-03701

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that it does hereby accept this dedication.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon passage by the council and approval by the mayor.

DATED AND EFFECTIVE THIS 25TH DAY OF JUNE 2025.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Recorder



## DEDICATION DEED

KNOW ALL MEN BY THESE PRESENTS, that **Glorietta Bay LLC**, hereinafter referred to as the Grantor, does dedicate to the City of Albany for street and utility right-of-way purposes, all that real property situated in Linn County, State of Oregon, described as follows:

See legal description on attached Exhibit A, and maps on attached Exhibits B, C & D. Exhibits A, B, C and D are attached herewith and made a part hereof this agreement.

and covenants that the Grantor is the owner of the above-described property free of all encumbrances save and except reservations in patents and easements, covenants, conditions, and restrictions of record, and will warrant and defend the same against all persons who may lawfully claim the same.

The deed granted herein is in consideration of \$1.00, receipt of which is acknowledged by the Grantor, and in further consideration of the public improvements to be placed upon said property and the benefits grantors may obtain therefrom.

IN WITNESS WHEREOF, the Grantor has hereunto fixed their hand and seal the day and year written below.

**GRANTOR: Glorietta Bay LLC**


  
\_\_\_\_\_  
Scott Lepman, Managing Member

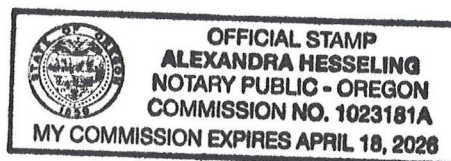
STATE OF OREGON )

County of Linn ) ss.

City of Albany )

The foregoing instrument was acknowledged before me this 29th day of May 2025, by Scott Lepman, Managing Member, as their voluntary act and deed.

  
\_\_\_\_\_  
Notary Public for Oregon  
My Commission Expires: April 18, 2026



**CITY OF ALBANY:**

STATE OF OREGON )

County of Linn ) ss.

City of Albany )

I, Peter Troedsson, as City Manager of the City of Albany, Oregon, pursuant to Resolution Number \_\_\_\_\_, do hereby accept on behalf of the City of Albany, the above instrument pursuant to the terms thereof this \_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk



**EXHIBIT A**  
**Legal Description for Right-of-Way Dedication**

A variable width right-of-way dedication of a portion of the property described by Linn County Deed Records 2007-24584 in the SE quarter of section 5, township 11 south, range 3 west of the Willamette Meridian, as described below.

From the SW corner of the above referenced property, said point being the POINT OF BEGINNING on the north right-of-way line of Salem Avenue; thence N 1°39'00" W for 43.69 feet along the west property line of said property; thence N 88°21'00" E for 3.50 feet; thence S 1°39'00" E for 18.87 feet; thence S 57°30'17" E for 24.07 feet to the north right-of-way line of Salem Avenue, thence S 62°34'25" W for 26.01 feet along the north right-of-way line of Salem Avenue to the POINT OF BEGINNING. Total area 381 square feet, more or less.

As shown on the attached maps labeled Exhibit B, C & D, attached hereto and made a part hereof this legal description.

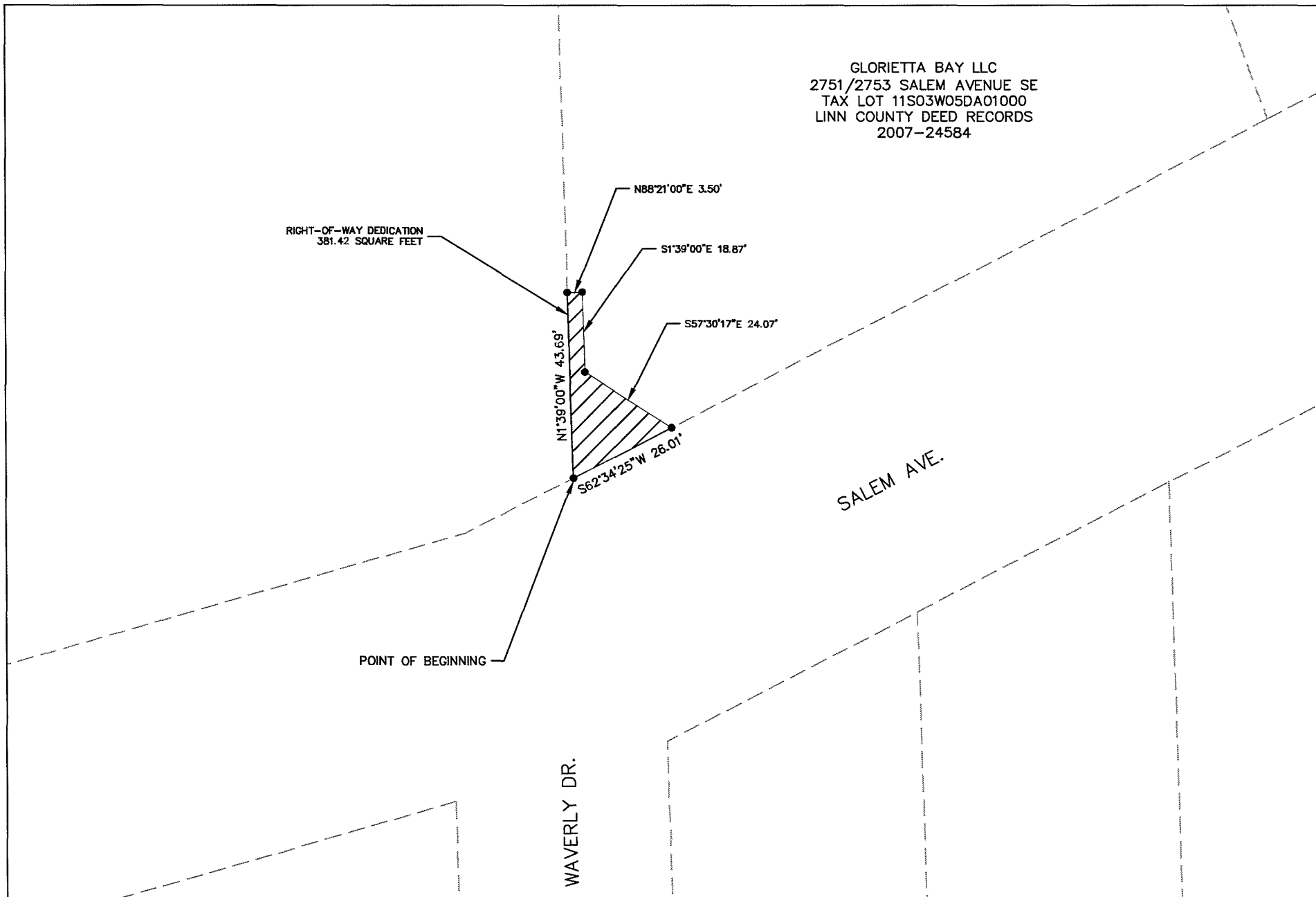


EXHIBIT B: RIGHT-OF-WAY DEDICATION MAP  
RIGHT-OF-WAY DEDICATION  
2751/2753 SALEM AVE. SE  
GLORIETTA BAY LLC



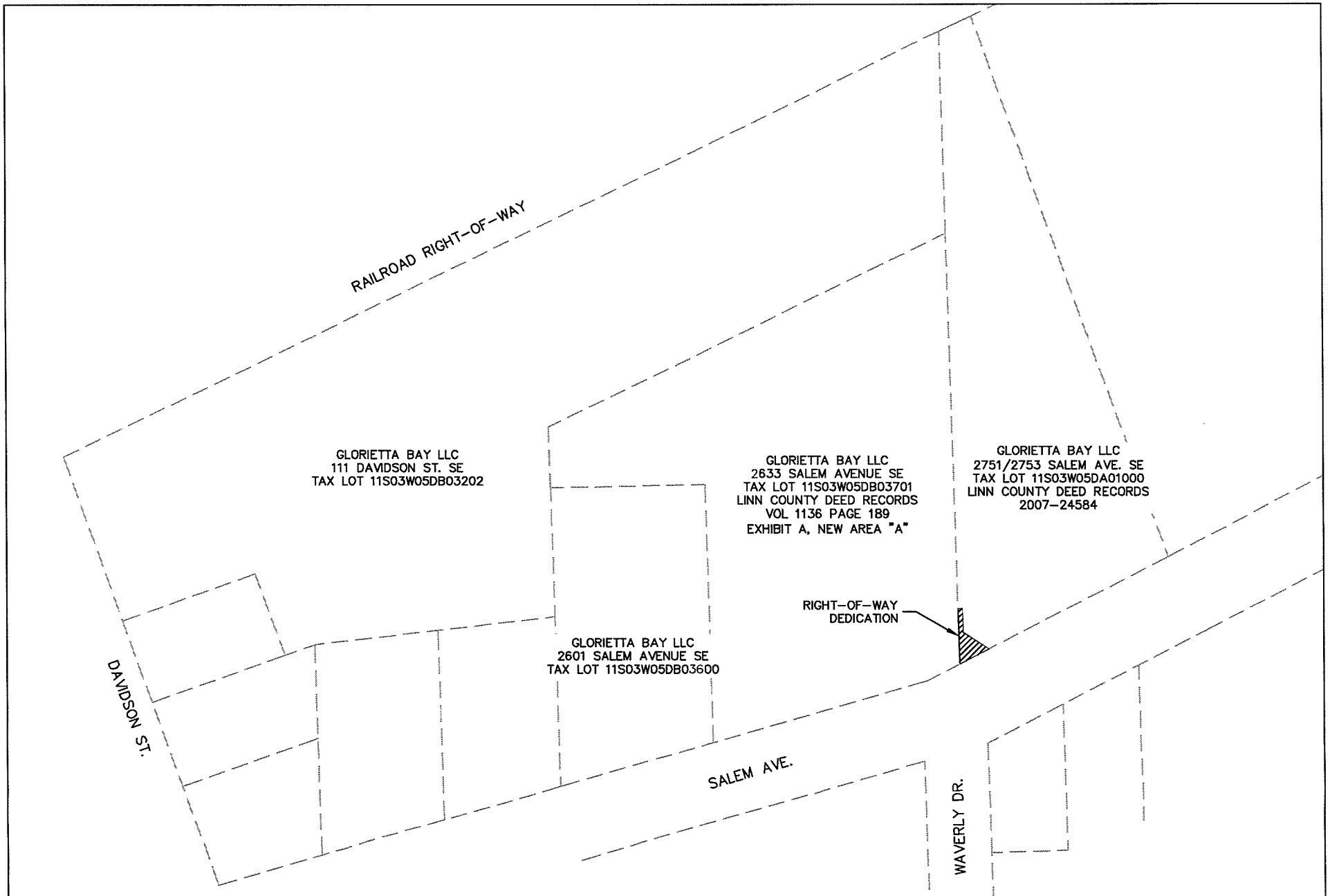
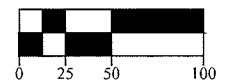


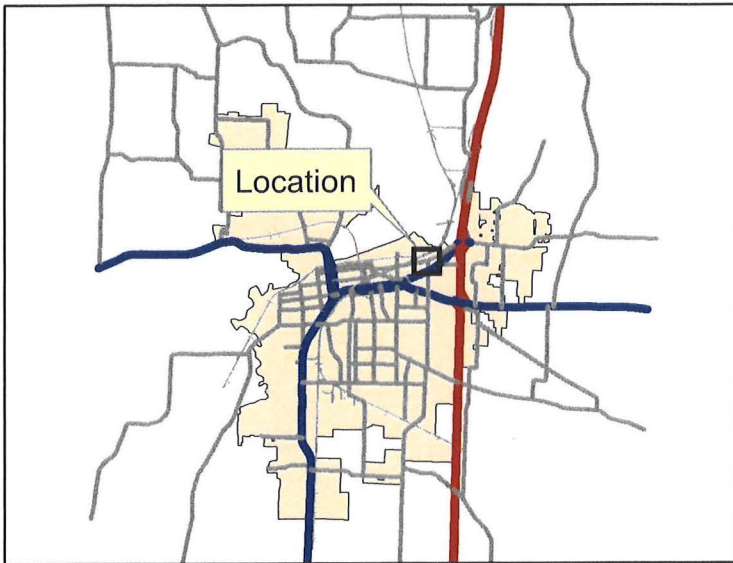
EXHIBIT C: AREA MAP  
RIGHT-OF-WAY DEDICATION  
2751/2753 SALEM AVE. SE  
GLORIETTA BAY LLC



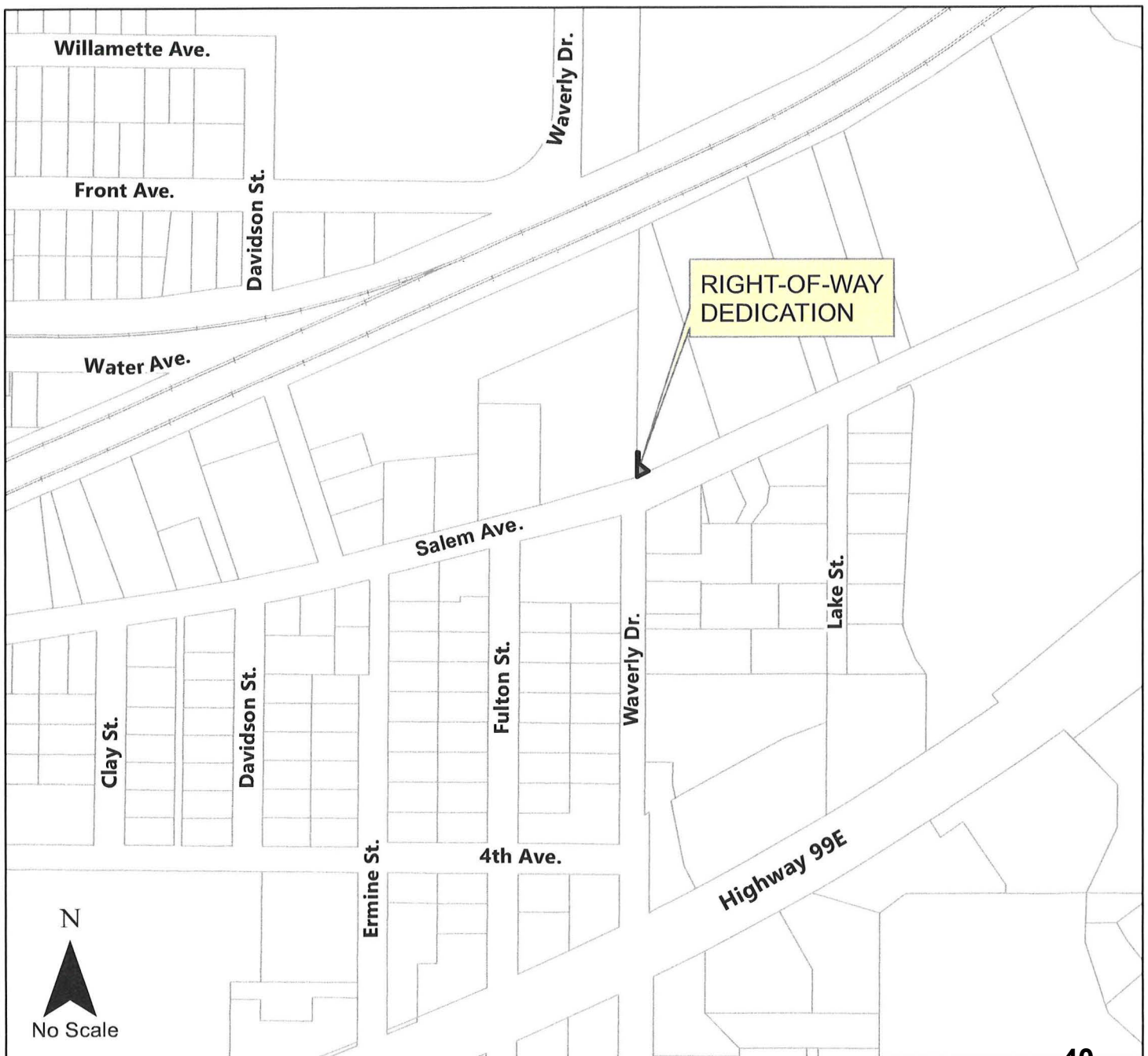
# EXHIBIT D: VICINITY MAP

**11S03W05DA01000**

A Right-of-Way Dedication as part  
of ST-25-03, Salem Avenue Overlay:  
UPRR to City Limits



*Geographic Information Services*



## Consent

The undersigned, holder of that certain \$135,000 Deed of Trust, (recorded in Linn County Oregon Deed Records 2007-24585) which encumbers the property with the attached right-of-way dedication, hereby consents to the above right-of-way dedication and agrees that said right-of-way shall be a permitted exception under said Deed of Trust.

IN WITNESS WHEREOF, the undersigned has executed this consent as of this 2<sup>nd</sup> day of June 2025.

Financial Institution: Umpqua Bank

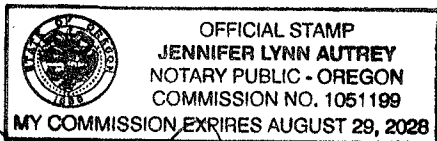
By: \_\_\_\_\_

Name: Natalie Carter-Huntington

Title: Vice President

STATE Oregon )  
County of Lane ) ss.  
City of Eugene )

The foregoing instrument was acknowledged before me this 2nd day of June, 2025, by Natalie Carter-Huntington - Vice president of Umpqua Bank on behalf of said institution.



Notary Public for Oregon

My Commission Expires: August 29, 2028



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ACCEPTING THE FOLLOWING EASEMENT:

Grantors

Thompson Twin Oaks, LLC

Purpose

Accepting a variable-width public sidewalk and franchise utility easement as part of project ST-25-03, Salem Avenue Overlay: UPRR to City Limits.

Tax Lot 11S03W05-DC-06700

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that it does hereby accept this easement.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon passage by the council and approval by the mayor.

DATED AND EFFECTIVE THIS 25TH DAY OF JUNE 2025.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Recorder

## EASEMENT FOR PUBLIC SIDEWALK AND FRANCHISE UTILITIES

THIS AGREEMENT, made and entered into this 4<sup>th</sup> day of June, 2025, by and between Thompson Twin Oaks, LLC, hereinafter called Grantor, and the CITY OF ALBANY, a Municipal Corporation, herein called "City."

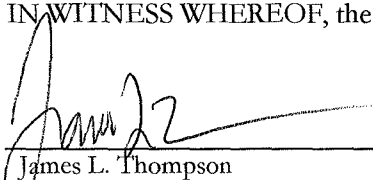
### WITNESSETH:

That for and in consideration of the total compensation to be paid by the City, the grantor has this day bargained and sold and by these presents does bargain, sell, convey, and transfer unto the City of Albany, an easement and right-of-way, including the right to enter upon the real property hereinafter described, and to maintain and repair public sidewalk and franchise utilities for the purpose of conveying public sidewalks and franchise utilities services over, across, through, and under the lands hereinafter described, together with the right to excavate and refill ditches and/or trenches for the location of the said public utilities and the further right to remove trees, bushes, under-growth, and other obstructions interfering with the location and maintenance of the said public utilities.

This agreement is subject to the following terms and conditions:

1. The right-of-way hereby granted consists of:  
  
See legal description on attached Exhibit A, and maps on attached Exhibits B and C. Exhibits A, B and C are attached herewith and made a part hereof this agreement.
2. The permanent easement described herein grants to the City, and to its successors, assigns, authorized agents, or contractors, the perpetual right to enter upon said easement at any time that it may see fit, for construction, maintenance, evaluation and/or repair purposes.
3. The easement granted is in consideration of \$275.00, receipt of which is acknowledged by the Grantor, and in further consideration of the public improvements to be placed upon said property and the benefits grantors may obtain therefrom.
4. The Grantor does hereby covenant with the City that they are lawfully seized and possessed of the real property above-described and that they have a good and lawful right to convey it or any part thereof and that they will forever warrant and defend the title thereto against the lawful claims of all persons whomsoever.
5. Upon performing any maintenance, the City shall return the site to original or better condition.
6. No permanent structure shall be constructed on this easement.

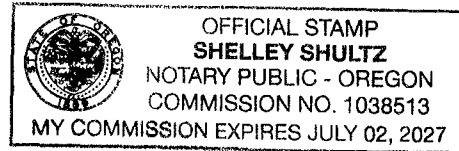
IN WITNESS WHEREOF, the Grantor has hereunto fixed their hand and seal the day and year written below.


  
James L. Thompson

Member

STATE OF OREGON  
County of Linn

The instrument was acknowledged before me this 4<sup>th</sup> day  
of June, 2025, by James L. Thompson,  
as Member of Thompson Twin Oaks, LLC.



  
Notary Public for Oregon  
My Commission Expires: 7/2/27

**CITY OF ALBANY:**

STATE OF OREGON            )  
County of Linn            ) ss.  
City of Albany            )

I, Peter Troedsson, as City Manager of the City of Albany, Oregon, pursuant to Resolution Number \_\_\_\_\_, do hereby accept on behalf of the City of Albany, the above instrument pursuant to the terms thereof this \_\_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk



**EXHIBIT A**  
**Legal Description**

**PERMANENT PUBLIC SIDEWALK AND FRANCHISE UTILITY EASEMENT**

A variable width easement dedication of a portion of the property described by Linn County Deed Records 2011-09831 in the SE quarter of section 5, township 11 south, range 3 west of the Willamette Meridian, as described below.

From the NE corner of the above referenced property, said point being the POINT OF BEGINNING on the intersection of the south right-of-way line of Salem Avenue and the west right-of-way line of Waverly Drive; thence S 1°25'00" E for 13.57 feet along the west right-of-way line of Waverly Drive; thence N 36°33'24" W for 14.01 feet to the south right-of-way line of Salem Avenue; thence N 74°10'00" E for 8.29 feet along the south right-of-way line of Salem Avenue to the POINT OF BEGINNING. Total area 54.48 square feet, more or less.

As shown on the attached maps labeled Exhibit B and C, attached hereto and made a part hereof this legal description.

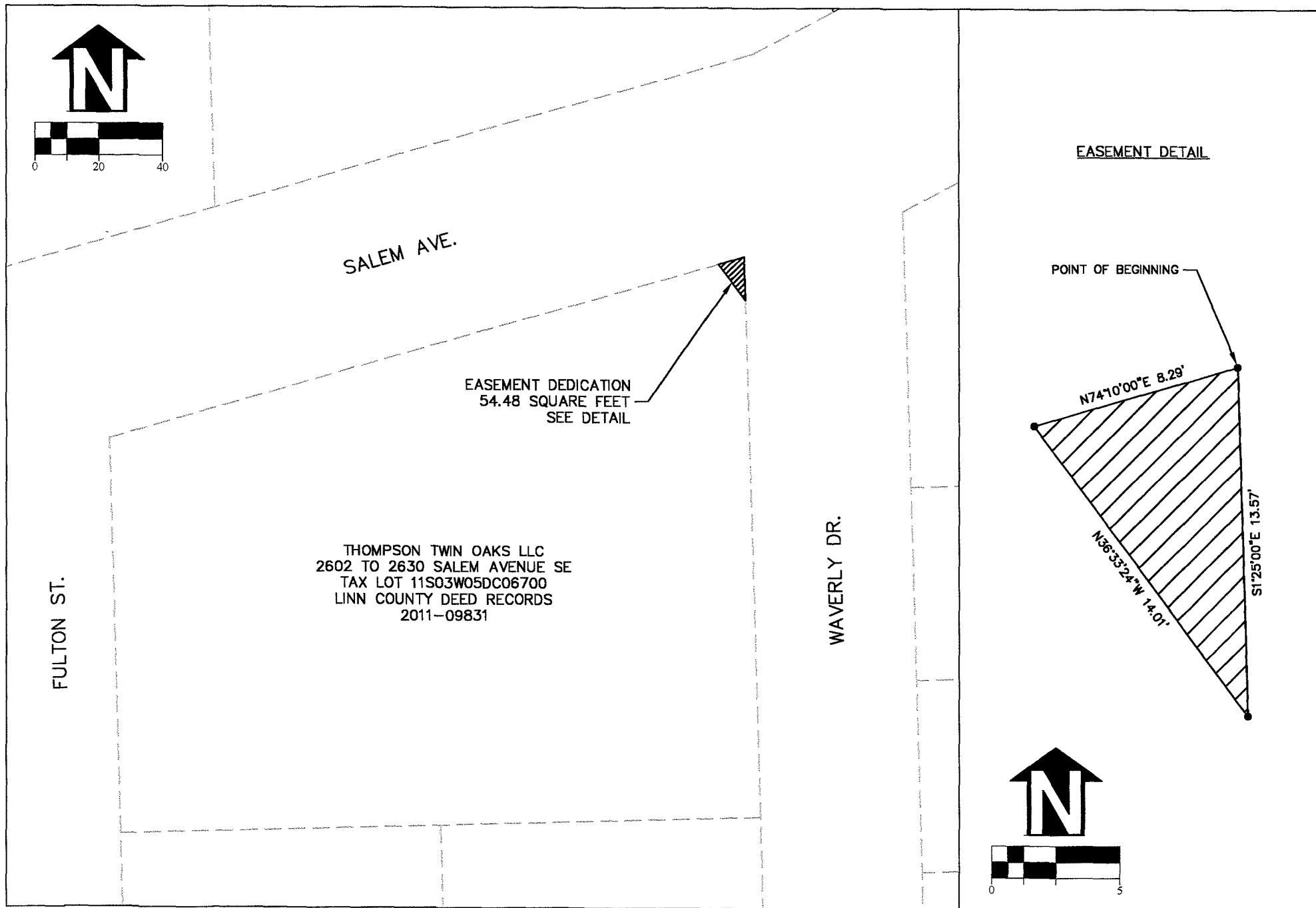


EXHIBIT B: RIGHT-OF-WAY DEDICATION MAP  
SIDEWALK AND PUBLIC UTILITY EASEMENT DEDICATION  
2602 TO 2630 SALEM AVE. SE  
THOMPSON TWIN OAKS LLC

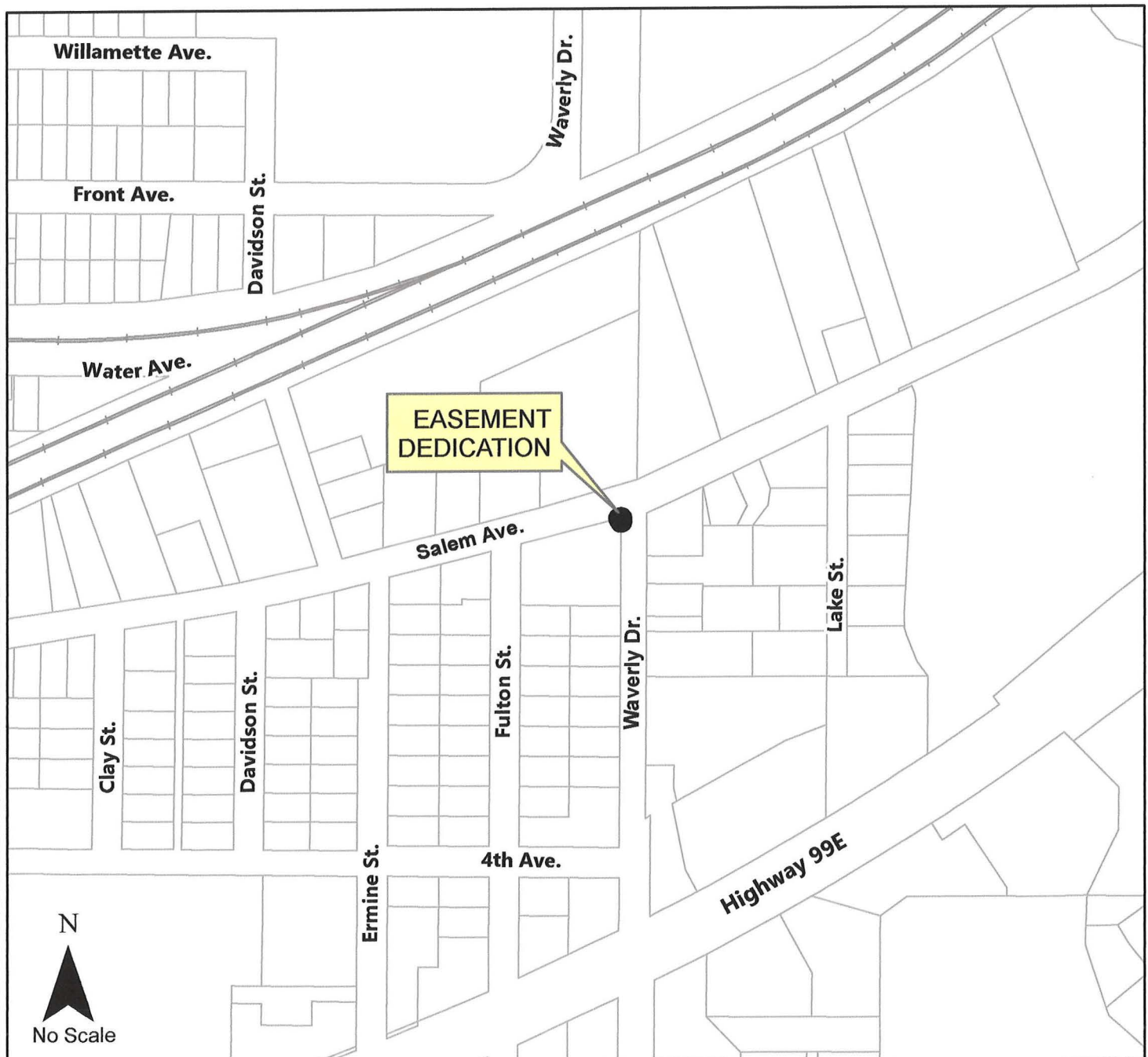
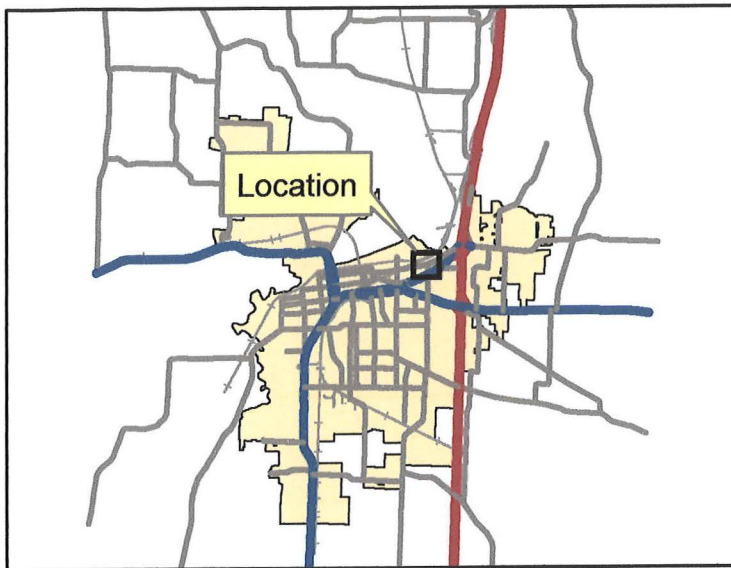
# EXHIBIT C: VICINITY MAP

**11S03W05DC06700**

A Public Sidewalk and Franchise Utility  
Easement Dedication as part of  
ST-25-03, Salem Avenue Overlay:  
UPRR to City Limits



*Geographic Information Services*





**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager

**FROM:** Jenn Ambuehl, Budget Manager

**DATE:** June 13, 2025, for the June 25, 2025, City Council Meeting

A handwritten signature in blue ink, likely belonging to Peter Troedsson, City Manager.

**SUBJECT:** 2023-2025 Appropriation Transfer Resolution

### **Purpose:**

Approve, by resolution, the proposed 2023-2025 appropriation transfers.

### **Background/Discussion:**

The proposed adjustments have no budgetary impact and contain both contingency transfers and transfers between appropriation categories. These budgetary adjustments meet the requirements of ORS 294.463 which allows for changes to be by resolution if it is a transfer between existing appropriation categories or is a transfer from contingency that is less than 15% of the original adopted appropriation. The proposed transfers, by fund, are presented below.

#### Parks & Recreation Fund:

- Increase appropriations in Resource Dev Marketing Svcs by \$60,000 to cover the costs of position that is being paid out of this program.
- Decrease appropriations in Adult Recreation Services by \$60,000 to cover the costs of position that was originally budgeted in this program but has been since been allocated to Resource Dev Marketing Svcs.

The net change in fund appropriations is zero.

#### Grants Fund:

- Increase Transfer Out appropriation by \$35,000 to transfer funds to Parks & Recreation Fund to pay for Lehigh Park improvements.
- Decrease Economic Development – Microenterprise appropriation within the CDBG Activities program by \$35,000.

The net change in fund appropriations is zero.

#### Streets Fund:

- Increase appropriations in Street Administration by \$175,000 to cover increased contract services and PW Engineering services based on increased street work completed by staff.
- Decrease Contingency appropriations by \$175,000 to offset the increased appropriation above.

The net change in fund appropriations is zero.

Sewer Funds:

- Increase appropriations in Wastewater Treatment Plant by \$700,000 to increase solids process improvements and facilities maintenance.
- Increase appropriations in Wastewater Collections by \$320,000 to increase facilities maintenance.
- Decrease Contingency appropriations by \$1,020,000 to offset increased appropriations above.

The net change in fund appropriations is zero.

Water Fund:

- Increase Transfer Out appropriations by \$400,000 to increase ILFF transfer to street fund. The amount of transfer was under budgeted for biennium.
- Increase appropriations in Albany-Millersburg WTP by \$150,000 to increase facilities maintenance.
- Increase appropriations in Vine St. Water Treatment Plant by \$50,000 to increase facilities maintenance
- Increase appropriations in Water Distribution by \$400,000 to increase supplies and water meters for distribution.
- Decrease Contingency appropriations by \$1,000,000 to offset increased appropriations above.

The net change in fund appropriations is zero.

Central Services Fund:

- Increase Labor Negotiations by \$19,000 to offset increased costs of labor negotiations.
- Decrease Contingency appropriations by \$19,000 to offset increased appropriations above.

The net change in fund appropriations is zero.

**Strategic Plan Impact:**

Effective Government – Ensure compliance with all federal and state regulations relating to municipal services.

**Budget/Staff Impact:**

The proposed appropriation transfers have a net zero impact on 2023-2025 adopted budget appropriations.

**Staff Recommendation:**

Staff recommend City Council approve the appropriation transfer resolution as presented.

**Attachments:**

Resolution



## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION TRANSFERRING APPROPRIATIONS IN THE FOLLOWING FUNDS: Parks & Recreation Fund, Grants Fund, Streets Fund, Sewer Fund, Water Fund and Central Services Fund

WHEREAS, the Albany City Council adopted a budget for the 2023-2025 biennium on May 24, 2023; and

WHEREAS, ORS 294.463 allows appropriations to be transferred after the budget has been adopted; and

WHEREAS, there have been occurrences which were not anticipated at the time of budget adoption, which require prompt action, and are necessary to meet the needs of the organization; and

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that the appropriations in the 2023-2025 biennium be transferred as shown below and are hereby approved for the 2023-2025 biennium.

<u>PARKS &amp; RECREATION FUND</u>	<u>FROM</u>	<u>TO</u>
Adult Recreation Services	\$60,000	
Resource Dev Marketing Svcs		\$60,000
<u>GRANTS FUND</u>	<u>FROM</u>	<u>TO</u>
CDBG Activities	\$35,000	
Transfer Out		\$35,000
<u>STREETS FUND</u>	<u>FROM</u>	<u>TO</u>
Contingencies	\$175,000	
Street Administration		\$175,000
<u>SEWER FUND</u>	<u>FROM</u>	<u>TO</u>
Contingencies	\$1,020,000	
Wastewater Treatment Plant		\$700,000
Wastewater Collections		\$320,000
<u>WATER FUND</u>	<u>FROM</u>	<u>TO</u>
Contingencies	\$1,000,000	
Transfer Out		\$400,000
Albany-Millersburg WTP		\$150,000
Vine St Water Treatment Plant		\$50,000
Water Distribution		\$400,000
<u>CENTRAL SERVICES FUND</u>	<u>FROM</u>	<u>TO</u>
Contingencies	\$19,000	
Labor & Employee Relations		\$19,000

DATED AND EFFECTIVE THIS 25TH DAY OF JUNE 2025.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk



## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ACCEPTING THE ABSTRACT OF VOTES REGARDING THE BALLOTS CAST IN THE ELECTION HELD TUESDAY, MAY 20, 2025, REGARDING MEASURE 22- 209, RENEWAL OF THE AMBULANCE, FIRE, AND POLICE LOCAL OPTION TAX

WHEREAS, the abstract of votes prepared by Marcie Richey, County Clerk, the duly elected, qualified county clerk of the county of Linn, state of Oregon; as to the ballots cast in the Linn County election held Tuesday, May 20 2025, regarding the local measure for the City of Albany has been certified; and

WHEREAS, the abstract of votes prepared by Darla Rush, Elections Manager/Elections Department, the duly appointed, clerk of the county of Benton, state of Oregon; as to the ballots cast in the Benton County election held Tuesday, May 20, 2025, regarding the local measure for the City of Albany has been certified.

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that same are hereby accepted.

Total Certified				
22-209 Local Option Tax				
	Linn County	Benton County	Total Votes	
Yes	6594	2217	8811	Passed
No	1915	589	2504	

DATED AND EFFECTIVE THIS 25TH DAY OF JUNE 2025.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Recorder

Marcie Richey Linn County Clerk



Elections ★ Archives 541-967-3831  
Recording ★ Licenses 541-967-3829  
PO Box 100 Albany, Oregon 97321

June 13, 2025

Dear District Elections Administrator:

Please find enclosed the "Abstract of Votes" cast for the May 20, 2025 Special District Election.

Pursuant to ORS 255.295 (2), the County Clerk will be able to issue the Certificates of Election only after the district elections authority has notified the county clerk in writing of the result of the election and provided a statement that the candidate(s) are qualified to hold that office.

If you have any questions, please feel free to call me at 541-967-3831 or send an email to [msarmiento@co.linn.or.us](mailto:msarmiento@co.linn.or.us).

Sincerely,

Miko Sarmiento  
Supervisor of Elections



Final and Official  
Linn County  
Special District Election May 20, 2025

Page: 138 of 143  
2025-06-11  
16:22:13

All Precincts, All Districts, All Counter Groups, All ScanStations, All Contests, All Boxes  
Total Ballots Cast: 21569, Registered Voters: 100162, Overall Turnout: 21.53%

22-209 City of Albany Amb., Fire, & Police Local Option Tax (Vote for 1)

Precinct	Ballots Cast	Reg. Voters	Total Votes	Yes		No		Over Votes	Under Votes
Precinct 001	837	2271	825	878	81.94%	149	18.08%	0	12
Precinct 005	578	3243	569	440	77.33%	129	22.67%	0	9
Precinct 008	370	1049	367	266	72.48%	101	27.52%	0	3
Precinct 009	282	2008	283	201	71.02%	82	28.98%	0	9
Precinct 010	528	2481	521	405	77.74%	116	22.26%	0	7
Precinct 011	773	3819	750	584	76.20%	186	24.80%	0	23
Precinct 012	287	1242	284	235	82.75%	49	17.25%	0	3
Precinct 013	480	2134	466	388	72.59%	128	27.47%	0	14
Precinct 014	413	2821	411	313	76.16%	98	23.84%	0	2
Precinct 016	804	2131	784	608	77.55%	176	22.45%	0	20
Precinct 018	894	2887	871	658	75.55%	213	24.45%	0	23
Precinct 048	1007	2838	985	830	84.26%	155	15.74%	0	22
Precinct 061	481	1877	471	379	80.47%	92	19.53%	0	10
Precinct 067	481	1854	472	344	72.88%	128	27.12%	0	9
Precinct 082	458	2023	450	337	74.89%	113	25.11%	0	8
Total	8683	34959	8509	6594	77.49%	1915	22.51%	0	174

I hereby certify this copy to be a true,  
full and correct copy of the original now  
on record in my office.  
MARCIE RICHEY  
County Clerk  
Deputy

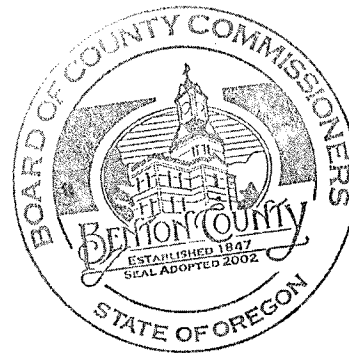
Summary Results Report  
Special District Election  
May 20, 2025

OFFICIAL RESULTS  
City of Albany  
Benton County, Oregon

<b>Statistics</b>	<b>TOTAL</b>
Registered Voters - Total	7,068
Ballots Cast - Total	2,855
Ballots Cast - Blank	2
Voter Turnout - Total	40.39%

**22-209 City of Albany Levy Renewal**

Vote For 1	TOTAL	VOTE %
Yes	2,217	79.01%
No	589	20.99%
<b>Total Votes Cast</b>	<b>2,806</b>	<b>100.00%</b>
Overvotes	0	
Undervotes	49	
Contest Totals	2,855	



I HEREBY CERTIFY THE TALLY OF VOTES  
RECORDED, ON THIS ABSTRACT, TO  
CORRECTLY SUMMARIZE THE VOTES CAST  
IN BENTON COUNTY FOR THIS ELECTION.

  
Benton County Clerk



**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager  
Chris Bailey, Public Works Director

A handwritten signature in blue ink, appearing to be "Staci Belcastro".

**FROM:** Staci Belcastro, P.E., City Engineer

**DATE:** June 10, 2025, for the June 25, 2025, City Council Meeting

**SUBJECT:** Update on Schedule and Development of Street Maintenance Funding

**Purpose:**

Discussion.

**Background/Discussion:**

Staff initiated a series of presentations in August 2023 with the purpose of addressing the need for additional funding for street maintenance in order to improve the condition of Albany's streets. At the February 13, 2025, work session, staff provided council an overview of the foundational information that has been discussed during the presentation series and also provided a draft schedule for developing two options to generate additional funding for street maintenance: a street maintenance fee and a local gas tax. The staff memos, videos, and materials from these meetings are available on the City's website <https://albanyoregon.gov/streets/meetings>, and a summary of the meetings, topics, and direction staff received from council during the series of meetings is included as Attachment 1.

At this meeting, staff will provide an update on the work that is taking place to develop a structure for a street maintenance fee and a local gas tax. The presentation will include an updated funding overview that identifies the annual capital funds needed to maintain Albany streets to an acceptable level, the annual average capital funds available to maintain Albany streets to an acceptable level, and the resulting funding gap. The updated funding overview will incorporate the additional revenue Albany will receive at full implementation of House Bill 2025 as well as the additional revenue the street capital fund will receive from the creation of the stormwater in lieu of franchise fee. Staff will also discuss with council things to consider in developing a realistic time frame to place a local fuel tax on the ballot. One of the main takeaways from the focus groups and community survey work completed this year is that a robust outreach and education campaign needs to be implemented to give a local gas tax its greatest chance of success. Staff would not be able to participate in outreach and education in support of a local gas tax after the ballot title is filed for the November 2025 election due to restrictions on public employees campaigning outlined in Oregon Revised Statutes 260.432.

**Strategic Plan Impact:**

Meets two objectives under Goal 2: Provide an efficient transportation system with safe streets and alternative modes of transportation, found under the Great Neighborhood theme in the city's adopted strategic plan.

- Utilize available street funding to maintain arterial and collector streets to a minimum Pavement Condition Index (PCI) score of 60, indicating fair or better condition. Address local street needs as funding allows.
- Seek additional sources of funding for street maintenance.

**Budget/Staff Impact:**

None at this time.

**Staff Recommendation:**

1. Receive presentation from staff and discuss information.

**Attachments:**

1. Transportation Presentation Summary
- c: Kristin Preston, Operations Manager (via email)  
Robb Romeo, Transportation Manager (via email)  
Rob Emmons, Assistant City Engineer (via email)



## ATTACHMENT 1

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[August 7, 2023 – Kick off Meeting.](#) The council received a suggested schedule and list of topics to discuss regarding Albany’s street condition and funding.

[October 9, 2023 – Pavement 101.](#) The council received a detailed discussion on how streets are constructed, how they fail, the costs to provide various maintenance treatments, and the overall average condition of the three categories of streets in Albany. The Pavement 101 White Paper attached to the staff report for that meeting was provided as a primer on street classification, construction, and pavement condition index (PCI) ratings.

[November 6, 2023 – Transportation Funding Overview.](#) Staff provided information describing overall funding for the street fund, and typical annual revenues and expenditures. Based on current pavement condition ratings, the city would need to generate an additional \$12.8 million per year for 40 years over current street funding levels to achieve a PCI of 60 or greater for all classifications of streets.

[December 11, 2023 – Pavement Management Funding.](#) Staff discussed a long list of available funding mechanisms that could be used to pay for street improvements. Attachment A to that council memo is a good resource for the council as it provides significant detail on these funding options, how they could be implemented, the history of funding for streets in Albany, and additional considerations for each potential funding source.

[January 22, 2024 – Pavement Management Funding Level of Service.](#) Staff discussed establishing a new Level of Service for the street system, adding a target PCI for local streets to existing goals for arterials and collectors, and proposed revenue targets to address the gap in current funding for pavement management. Council supported the new Level of Service and establishing a new funding mechanism, focused on either a local fuel tax, utility fee, or both.

[June 26, 2024 – Pavement Management Funding Alternatives.](#) Staff provided an overview of the previous presentations, presented options for council to consider and provide direction to create additional funding for street maintenance, and requested council provide direction for an ordinance to create a street maintenance fee for council’s consideration. Council requested staff bring back more information on an ordinance and a local fuel tax.

[July 22, 2024 – Public Opinion Research.](#) The consultant, Consor North America, Inc., presented results of 2024 public opinion research completed on street condition and funding for street maintenance.

[August 7, 2024 – Street Maintenance Funding.](#) Council reviewed, deliberated, and took action on the following: voted to adopt an ordinance amending the Albany Municipal Code to create a street maintenance fee, first reading only; directed staff to pursue additional funding for street maintenance through a local fuel tax; and directed staff to pursue general obligation bonds when it is timely to do so.

[September 25, 2024 – Street Maintenance Funding.](#) Council voted to adopt an ordinance amending the Albany Municipal Code to create a street maintenance fee during the second reading of the ordinance.


[February 24, 2025 – Street Maintenance Funding Overview and Schedule.](#) Staff provided an overview of the foundational information shared during the series of presentations initiated in August 2023 and provided a draft schedule for developing a local gas tax and street maintenance fee.

[April 7, 2025 – Street Maintenance Funding and Opinion Research.](#) The consultant Galardi Rothstein Group provided information on options to structure a street maintenance fee and the consultant Consor North America, Inc., provided an overview of public opinion research completed in 2024.

[June 9, 2025 – Public Opinion Research.](#) The consultant, DHM Research, presented results from the 2025 public opinion research completed on street condition and funding for street maintenance.



**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager 

**FROM:** Matthew Ruettgers, Community Development Director

**DATE:** June 16, 2025, for the June 25, 2025, City Council Meeting

**SUBJECT:** Real property - Sale of the 9th and Jackson Property(s)

### **Purpose:**

Hold a Public hearing to accept verbal presentations regarding the purchase of one, some, or all of the City owned real properties (3) in the area of 9th Avenue SE and Jackson Street SE (Jackson Properties) and accept public testimony.

### **Background/Discussion:**

On March 26, 2025, the City Council declared the Jackson Properties surplus and directed staff to list them for sale. Those real properties owned by the City are in the area of 9th Avenue SE and Jackson Street SE, specifically being 503 & 519 9th Avenue and 817 Jackson Street SE (outlined in red on Attachment 1).

The three properties owned by the City range in size from approx. 3,600 square feet to 4,100 square feet and are located in the block bounded by Jackson Street SE on the west, Pacific Boulevard on the north, the 9th Avenue SE off-ramp on the east, and 9th Avenue SE on the south. All the properties in this block and the surrounding area south of Pacific Boulevard are zoned Light Industrial (LI), intended primarily for a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors, and related establishments. Of the 11 parcels that make up this block of land; (shown on Attachment 1); 3 parcels are owned by the City as noted (outlined in red), 2 parcels are owned by individuals (no highlight), and the remaining 6 parcels are owned by Helping Hands (highlighted in blue).

The 2024 Linn County assessor's real market value (RMV) for the Jackson Properties total is \$166,260 (Attachment 3).

On November 20, 2024, the Council directed staff to seek appraisals for the Jackson Properties, which determined a total real market value for all three parcels of \$145,000. (Attachment 2)

In accordance with Oregon Revised Statutes 221.725, staff had the three properties posted for sale and placed an ad in the Democrat-Herald for Notice of Public Hearing and Sale of Real Property on June 14, 2025, and posted on the city's website. Staff have also been accepting sealed bids from interested parties, which will be reviewed during an executive session after closing the public hearing.

### **Strategic Plan Impact:**

Supports the Strategic Plan themes of: A Healthy Economy, A Safe City, and Effective Government.



**Budget/Staff Impact:**

The January 2025 appraisals determined a total real market value of all three parcels to be \$145,000. If sold, the City Council would direct staff on where to appropriate proceeds, if any, from the sale of the property. Depending on the type of disposal method desired, the value of the land could be used to incentivize a particular type of development, negating or reducing proceeds.

**Staff Recommendation:**

Staff recommends the following steps:

- City Council conduct a public hearing to receive presentations from prospective purchasers and accept public testimony.
- At the conclusion of the presentation and testimony, staff recommends the City Council close the public hearing and recess to an executive session to open the sealed bids and deliberate.
- Reconvene the regular session and if appropriate adopt resolution(s) regarding the disposition and sale of the Jackson Property(s).

**Attachments:**

Attachments (5):

- 1: Location Map
- 2: 2025 Appraisals
- 3: 2024 Linn County Assessor Summary
- 4: Democrat-Herald Notice
- 5: Template Resolution









**APPRAISAL REPORT**

ALBANY INDUSTRIAL LAND  
503 9<sup>th</sup> Avenue SE  
Albany, OR 97322

PREPARED FOR:

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

PREPARED BY:

Joseph A. Swaney  
W. Paul Jackson, MAI  
**JACKSON GROUP NW** INC.  
PO Box 1246  
Canby, OR 97013  
(503) 358-7340

[www.jacksongrouponw.com](http://www.jacksongrouponw.com)



January 21, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

**RE: ALBANY INDUSTRIAL LAND**  
503 9<sup>th</sup> Avenue SE  
Albany, OR 97322

---

Dear Mr. Ruettgers,

At your request, we have completed an appraisal of the property specified above, which is presented in the following appraisal report. The subject property is a 0.10 acre site located on one tax lot, currently vacant. We have appraised the property using generally accepted appraisal principles and practices. The following appraisal complies with:

- ◆ The Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and
- ◆ The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and

This appraisal uses standard recognized appraisal methodology to develop our opinion of the market value of the subject property. This appraisal is presented in report format compliant with USPAP Standard 2. As such, it summarizes the data, reasoning, and analyses used to develop our opinion(s) of value. Supporting documentation concerning the data, reasoning, and analysis is retained in our files. The depth of discussion contained in this report is specific to the needs of the client.

The client and intended user(s), intended use, type and definition of value, effective date, subject property, and assignment conditions of this appraisal are stated &/or described in the report. These factors limit the context of the appraisal, and the legitimate uses of this report. We are not responsible for any other use of this report, or any use by parties not named. Please refer to the Scope of Work, and Assumptions and Limiting Conditions sections for important information.

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value.

Based on our investigation and analysis of available information, our final opinions of market value of the subject property are:

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value:	January 9, 2025	\$ 50,000

The value opinion(s) concluded in this appraisal do not include furnishings, fixtures, equipment, personal property, or intangible items. The valuation is subject to the Assumptions and Limiting Conditions section of the following report, as well as the explanatory comments within the report, which should be referenced for a complete understanding of the value conclusion(s).

The opinion(s) of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

Extraordinary Assumptions

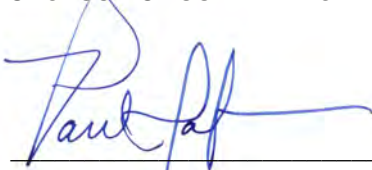
- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

Hypothetical Conditions

- N/A

Sincerely,

**JACKSON GROUP NW INC.**



W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026

# TABLE OF CONTENTS

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Letter of Transmittal

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## **INTRODUCTION**

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Appraisal Overview.....	1
Appraisal Information.....	3
Assumptions and Limiting Conditions.....	8

## **DESCRIPTION**

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Market Area Description & Maps.....	10
Site & Improvement Description .....	17
Photos & Exhibits .....	20
Highest and Best Use Analysis .....	26

## **VALUATION**

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Valuation Introduction.....	28
Site Valuation – Sales Comparison Approach.....	29
Certification of Appraisal.....	37

## **ADDENDA**

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- Exhibit A:** Professional Qualifications and Company Profile – Jackson Group NW, Inc.
- Exhibit B:** Appraisal Engagement Letter & Client Information

## APPRAISAL OVERVIEW

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### DESCRIPTION

**Property Name:** City of Albany Industrial Land

**Street Address:** 503 9<sup>th</sup> Avenue SE  
Albany, OR 97322

**Neighborhood Character:** The subject property is located in an industrial area adjacent to a regional connector, Highway 99E, in Albany, Oregon. Also known as Pacific Highway, Highway 99E is the primary commercial route in Albany, and connects the city to other communities in the Willamette Valley, most notably Corvallis and Eugene. I-5, two miles east of the subject, is the primary regional connector through the Willamette Valley. Off the arterials, uses turn to residential, with pockets of industrial development such as the subject neighborhood. No adverse environmental influences are noted that would negatively affect the subject property or neighborhood. The long-term outlook for the neighborhood is for continued desirability and positive property values.

**Site Area:** The site area is 0.10 acres (4,160 SF).

**Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.

**General Site Conditions:** A rectangular-shaped corner site, level and at street grade. The site is within an established industrial node within the Highway 99E corridor.

## APPRAISAL OVERVIEW (continued)

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**Improvements:** The subject site has been graveled, and is improved with a 6' chain link fence on all sides.

**Tenancy:** The site is currently unoccupied.

**Access/Exposure:** The subject has average access and exposure to Jackson Street, a neighborhood arterial, and also 9<sup>th</sup> Avenue.

### HIGHEST AND BEST USE

**"As Vacant":** Small industrial building commensurate with the size of the lot.

### VALUATION SUMMARY

**Interest(s) Appraised:** Fee Simple Interest. The subject has no tenant or leasing in place. Therefore, fee simple analysis applies.

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value (rounded):	January 9, 2025	\$ 50,000

# APPRAISAL INFORMATION

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## TRANSFERABILITY OF APPRAISAL

If this report is transferred/assigned to another party (user), and/or is reviewed and there are questions or additional work necessary to meet any subsequent guidelines/requirements, the appraiser may charge appropriate fees for any additional work performed. Our current billing rate is \$350/hour.

## LEGAL/TAX DESCRIPTION

No Investigation of title was provided. It appears that the corresponding County plat map matches property boundaries as apparent on the ground at the time of inspection. County assessment data is presented below.

Linn County Parcel # / Map & Tax Lot	Land	RMV Impr.	Total	Taxable Value	2024-25 Taxes
87052 / 11S 3W 07 AB 204	\$69,000	\$0	\$69,000	\$0	\$0

## CLIENT / INTENDED USER(S)

Jackson Group NW, Inc. has been retained by City of Albany, which is the client and intended user of this report.

## INTENDED USE

To provide the client and intended user with an opinion of market value, for use in pricing for marketing purposes.

## TYPE AND DEFINITION OF VALUE

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a Fee Simple value.

## EFFECTIVE DATE(S) OF VALUE

As Is Fee Simple Market Value:

January 9, 2025

## SUBJECT PROPERTY INSPECTION

Date:

January 9, 2025

Property Representative:

None present

Appraiser(s):

Joseph Swaney

OR Certified General Appraiser

### **MARKET VALUE<sup>1</sup>**

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by federal financial institutions of the United States of America is:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a Sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised, and acting in what they consider their best interests;
- 3) A reasonable time is allowed for exposure in the open market;
- 4) Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or Sale concessions granted by anyone associated with the sale.

Substitution of another currency for United States dollars in the fourth condition is appropriate in countries or in reports addressed to clients from other countries.

### **DEFINITIONS<sup>2</sup>**

#### **As Is Value**

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.

#### **Prospective Value**

A forecast of the value expected at a specified future date. A prospective value estimate is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

#### **Retrospective Value**

A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."

#### **Stabilized Value**

A value estimate that excludes from consideration any transitory condition, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay, or unfinished repairs.

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<sup>1</sup> Uniform Standards of Professional Appraisal Practice, 2024, The Appraisal Foundation

<sup>2</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute



### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

### **Leased Fee Estate**

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of lessor (leased fee owner) and the leased fee are specified by contract terms contained within the lease.

### **Leasehold Estate**

An ownership interest held by the lessee (tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

## **SUBJECT HISTORY OF OWNERSHIP INFORMATION**

A preliminary title report was not provided. Public records show title to the subject vested in the City of Albany, which has owned the subject for many years. The subject property is not listed for sale or for lease. We found no other conveyances of fee title in the three years prior to the date of value.

## **SCOPE OF THE APPRAISAL**

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value. All applicable appraisal procedures were employed, including:

- Definition of pertinent issues related to the appraisal assignment
- Inspection of the subject property
- Site and improvement analyses
- Highest and best use analysis (as vacant, and as improved)
- Market data selection, verification, and analysis
- Use of the approaches to value and valuation
- The reconciliation of value indications and final value estimate

Joseph Swaney conducted an on-site inspection of the subject property, which included walking through the subject, photographing the interior and exterior. Mr. Swaney performed the appraisal and authored the report. W. Paul Jackson, MAI, did not inspect the subject property but is familiar with the market area, has reviewed this report and concurs with the analysis and conclusions herein. Building areas are based on the county sketch which was verified by spot check measurements by the appraiser. Land area is based on plat map and county data.

Property representatives were interviewed about the physical features of the property including the condition, function, efficiency, and operation of the property, and also the history of ownership and marketing activity for the property. Government officials, contractors, developers, architects, engineers, attorneys, and other professionals and/or consultants were interviewed and/or referenced when applicable in the appraisal. Government zoning and planning documents, legally binding documents (purchase, option, or development agreements, leases, easements, or encumbrances), and professional and/or consultant reports are included and/or referenced where appropriate in the appraisal.

## APPRAISAL INFORMATION (continued)

The collection, verification and analysis of comparables are integral to the valuation analysis. This information was collected from sources deemed reliable and confirmed by interviewing knowledgeable market participants (buyers, sellers, property managers, tenants, brokers, consultants, developers, building owners, and/or investors) and exterior viewing of the properties. One or more knowledgeable parties to the transactions were interviewed in the verification and confirmation of the comparable data. The most current data (typically up to one year prior to the valuation date) was relied upon with primary emphasis on comparables located in the immediate market area when possible. When there was a lack of comparable information in the immediate market area, parameters were broadened to include similar competing markets and more dated transactions of properties in the immediate market area.

The following primary sources were contacted and contributed significant assistance in the appraisal process.

Primary Sources	Summary of Significant Assistance Provided
Matthew Ruettgers, City of Albany Community Development	Appraisal Engagement / Subject Information
Knowledgeable Market Participants	Comparable market data
Jackson Group NW, Inc. Database	Comparable market data
Linn County / City of Albany	Plat Map, Assessment, Zoning, Land Use Patterns, Proposed Projects, Legal Subject Land Use(s)

The following secondary data sources were relied upon in the appraisal process.

Secondary Data Sources	Summary of Significant Information Provided
Loop Net / CoStar Comps / RMLS	Comparable sales and listings
Local Government, Market Participants, Publications	Comparable Leads, Market Trends

All information necessary to competently complete this appraisal assignment was made available to the appraisers, **except:**

- Preliminary Title Report
- Environmental Investigation / Assessment Report
- Building Inspection Report
- Geotechnical Report

### VALUATION METHODOLOGY

The Sales Comparison Approach is performed in order to develop our opinion of the As Is Fee Simple Value of the subject. This is the typical approach used for valuation of land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.

### **MARKETING AND EXPOSURE TIME**

Marketing period is defined as the amount of time a property would be on the market in order to sell at a future date, at the concluded value. Exposure period is the time a property would have previously been on the market, culminating in a hypothetical sale as of the date of value. Marketing time differs from Exposure time, which is always presumed to precede the effective date of an appraisal. USPAP requires an opinion of reasonable exposure time be reported when it is a constituent of the value opinion being developed.

Exposure periods for improved sales discovered in the course of this assignment ranged from zero (not openly marketed) to 6 months. Assuming it were competently promoted and appropriately priced, a Marketing / Exposure Period of up to 12 months would be reasonably anticipated for the subject property.

# ASSUMPTIONS AND LIMITING CONDITIONS

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## EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

The opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

### Extraordinary Assumptions

- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

### Hypothetical Conditions

- N/A

## GENERAL ASSUMPTIONS

The statements of value and all conclusions shall apply as of the dates shown herein.

The valuation assumes the previously discussed legal description accurately identifies the subject property.

We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.

Unless otherwise noted herein, it is assumed that there are no adverse encroachments, zoning, or restrictive violations existing in the subject property.

We assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.

Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.

This report shall be used for its intended purpose only, and by the parties named as intended users. Possession of this report does not imply entitlement to use by other parties, or suitability for intended use(s) not stated herein. Possession of this report does not include the right of re-distribution in whole or part.

This report must be used in its entirety. Reliance on any portion of the report independent of other portions may lead the reader to erroneous conclusions regarding the property value. No portion of the report stands alone without approval from the authors.

## **ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

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Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent or approval of the authors. This applies particularly to opinions of value.

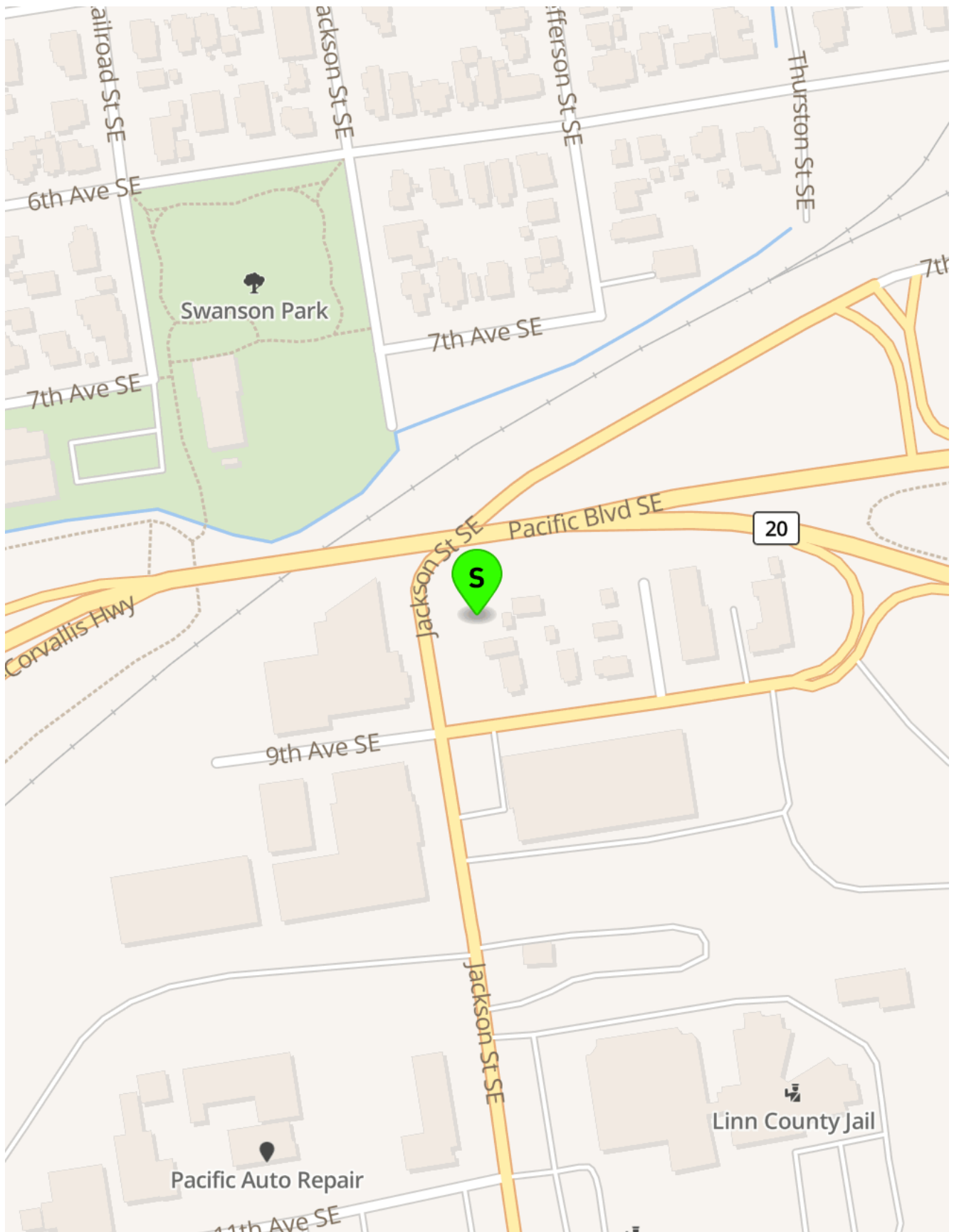
We have no present or contemplated future interest in the property that is not specifically disclosed in this report.

The valuation stated herein assumes professional management and operation of the property throughout the lifetime of the improvements, with an adequate maintenance and repair program.

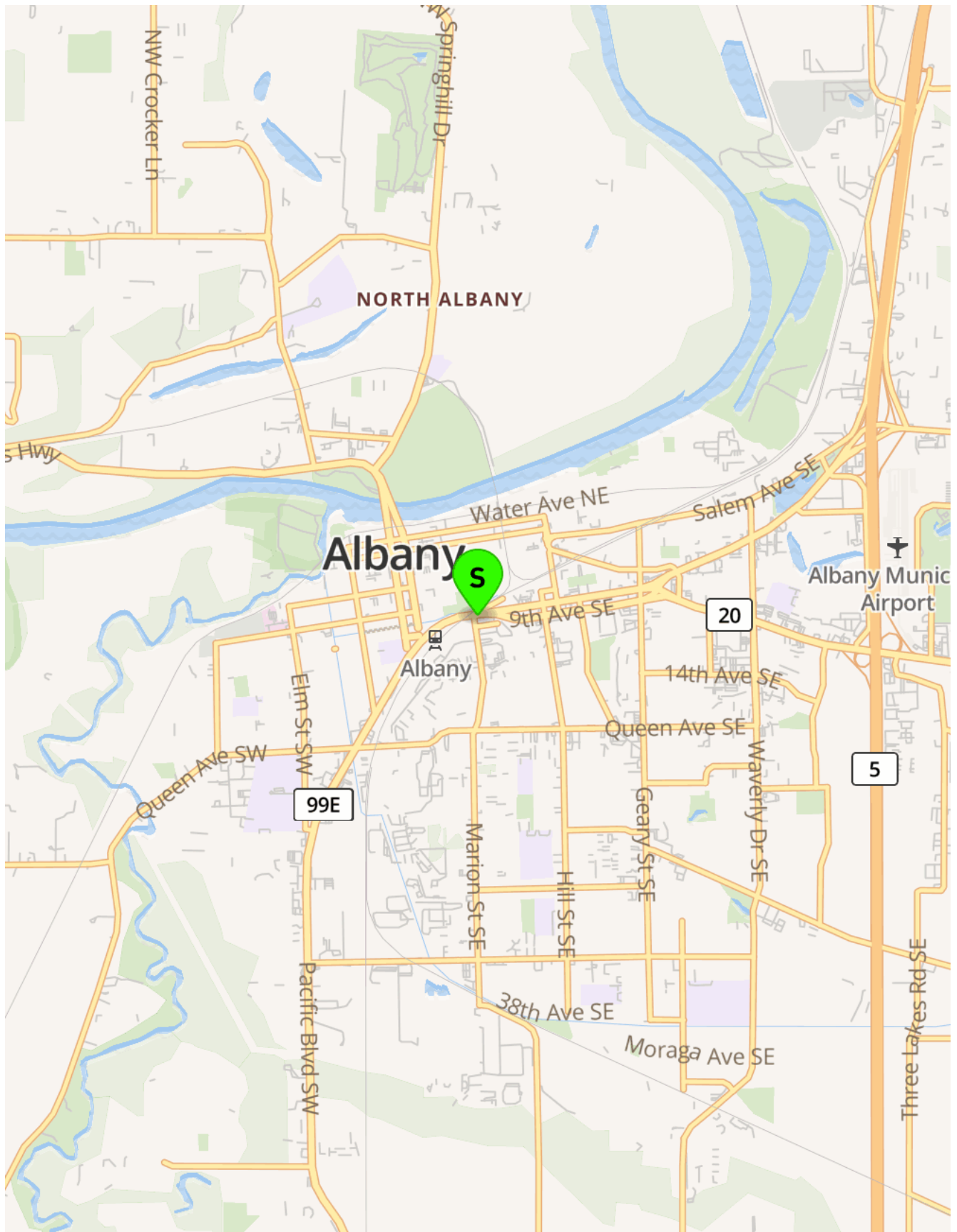
We assume no responsibility for determining if the subject property complies with the Americans with Disabilities act (ADA). Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be deducted from the reported value conclusion.

We are not qualified to detect the presence of toxic or hazardous substances or materials that may influence or be associated with the property or any adjacent properties. Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including, without limitation, hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

## NEIGHBORHOOD MAP



## REGIONAL MAP



## MARKET AREA DESCRIPTION

The Appraisal Institute defines market area as following: “The geographic or locational delineation of the market for a specific category of real estate, i.e., the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and buyers”.

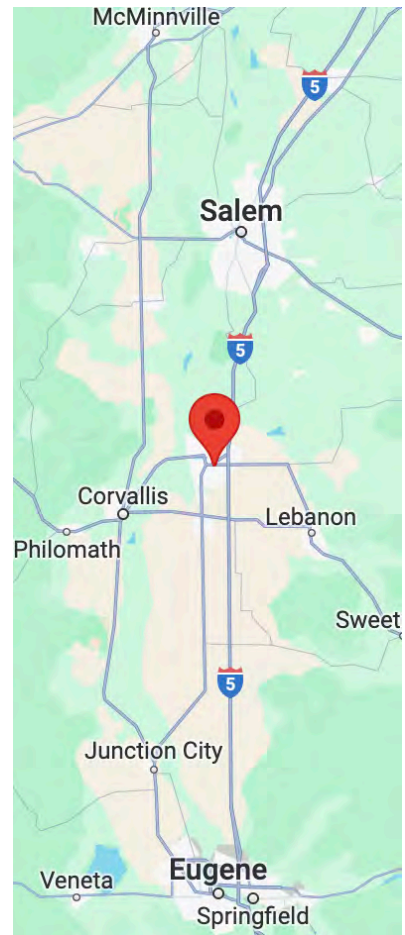
The market area analysis is presented in two sections, a regional analysis and general neighborhood analysis. The regional analysis will focus on a macro view of the subject market area and generally highlight current conditions that shape the nature of the regional economy. A more specific analysis that focuses on the subject’s neighborhood area will follow.

### Regional Analysis

This section will discuss the greater economic trends (population, income, and employment) within the subject’s region that may have an impact on the property now and in the foreseeable future. The following tables show the historic and projected growth rates for population, median household income, and unemployment within the region.

### Demographics

Oregon has experienced consistent population growth over the last decade. However, it has slowed down since 2021 due to changes in the political climate and livability in the urban centers. As a result, residents have migrated to more suburban / rural locations with more affordable real estate, which has been bolstered by more “work from home” jobs. The population trends are summarized in the table below.



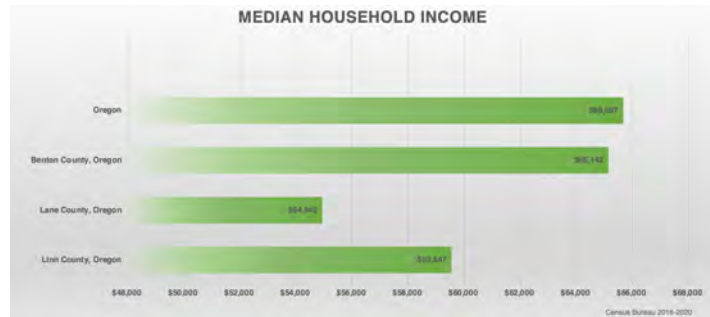
Portland State University: Center For Population Research and Census (Recent Years)

POPULATION	2023	2022	2021	2020	2019
Oregon	4,296,626	4,278,910	4,263,827	4,268,055	4,236,400
Linn County	131,984	131,194	129,839	128,610	125,048
<b>Albany</b>	<b>57,997</b>	<b>57,322</b>	<b>56,828</b>	<b>56,412</b>	<b>53,521</b>
Corvallis	61,669	59,434	59,864	59,696	58,028

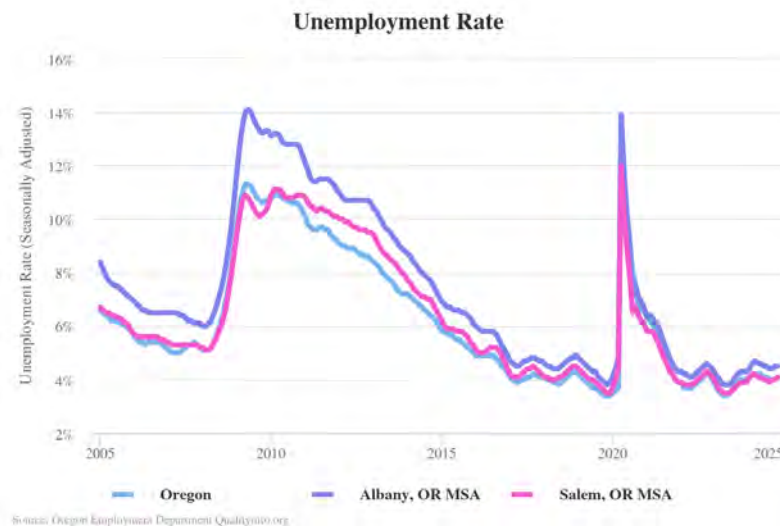


## MARKET AREA ANALYSIS (Continued)

The U.S Census Bureau graph illustrates the median household income from the years 2016-2020 in Oregon and the Counties of Linn, Benton, and Lane. The median household income in the counties is all lower than the statewide median household.



The Oregon unemployment rate continues to drop since its high of nearly 13% in early 2020. The graph below shows the unemployment statistics in Oregon and the Albany MSA (equivalent to Linn County), from the years 2010-2023. The current Oregon unemployment rate is (November 2024) 4.1%. The Albany MSA, of which the subject is a part, is at 4.5%. Although low, these rates do not fully reflect the current job market in which workforce participation is at an all-time low due to the residual effect of expanded unemployment benefits and other government subsidies related to the COVID-19 response. The state as a whole, along with other counties, have followed similar trendlines.



### General Neighborhood Analysis

This section will discuss the general neighborhood and economic trends (population and income) located in the primary market area that may have an impact on the property now and in the foreseeable future.

The subject property is located in the city of Albany in Linn County, Oregon. Albany is located in the Mid-Willamette Valley along the Interstate-5 corridor approximately 20 miles south of Salem, and 40 miles north of Eugene. Albany is a small, developing city with an economy based primarily on an agriculture and food products, wood products, metals, paper and manufacturing.

Commercial development in Albany is concentrated along the main arterials, Highway 20 and Highway 99. There are some industrial uses interspersed throughout southeast Albany and on the periphery of the city near the major I-5 and Highway 30 interchanges, as well as in the subject neighborhood of south and east of Highway 99.

## **MARKET AREA ANALYSIS (Continued)**

---

The Albany Municipal Airport is located between I-5 and Price Road, at the north portion of the Albany area, east of I-5. Shopping centers/ fast food services are primarily located along Highway 20 (Santiam Highway) and Highway 99 (Pacific Boulevard).

The City of Albany contains Enterprise Zones, affordable infrastructure costs, adequate working-age population, and good regional linkages. Existing infrastructure is estimated to be operating at about half of capacity. City Government offers tax reductions and permit / fee discounts for job creating industries. Overall, the potential for future development is positive.

### Access and Linkages

The site allows good local and regional linkages to housing, employment, and services. Interstate 5 is 2 miles to the northeast at the I-5/Highway 99E interchange, and the I-5/Highway 20 interchange is 1.75 miles east. To the south is Highway 34 which connects Albany with Corvallis and the Oregon coast, and central Oregon and the City of Bend to east. Highway 99E runs north-south to the west of I-5 between Albany and Eugene, connecting the subject neighborhood with the farming communities of the Willamette Valley.

### Immediate Neighborhood

The subject is in an industrial node east of the Highway 99E (Pacific Highway) corridor in Albany. Highway 99E gives the subject regional and immediate access to major arterials within the area, as described above. Surrounding development is mostly light industrial.

### Outlook and Conclusion

Neighborhoods are constantly changing and continually cycle through four phases. The four phases include growth, stability, decline, and renewal. These phases are used to evaluate the changes that occur within a neighborhood over time. During the growth phase, the neighborhood is in the beginning of development and expansion. Following the growth phase is stability. The neighborhood may still grow, but at a much slower pace. A neighborhood enters a state of decline when it can no longer compete with adjacent neighborhoods. Lastly, renewal is the period during which a neighborhood is “rediscovered” because of affordability and convenience. The subject area has been in the steady phase as an established economic node for the immediate area and regionally.

As the population and employment rates keep trending slowly upward, the subject market area is anticipated to continue improving, with appreciating property values in the long term.

Overall, there are no adverse conditions that were evident that would have a detrimental impact on the neighborhood, or the marketability of the subject property specifically. With expected population and employment growth in the region, the forecast for the subject is for continuing stable to mildly appreciating property values.

## AERIAL OVERLAY





# PLAT MAP



## PROPERTY DESCRIPTION



### DESCRIPTION

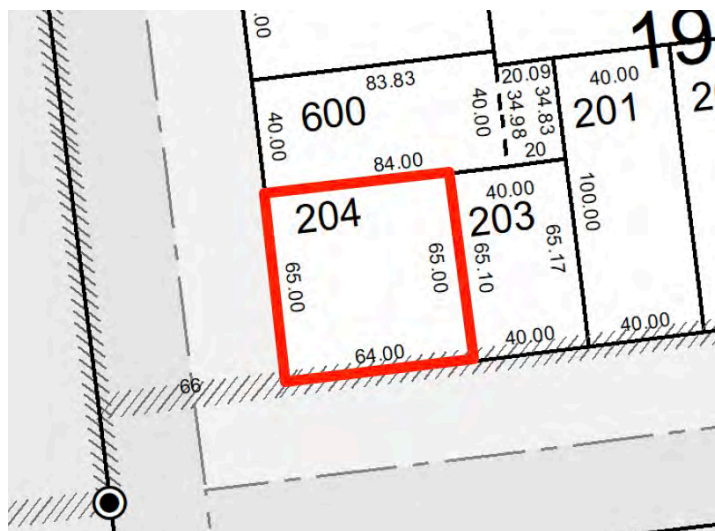
**Property Name:** City of Albany Industrial Zoned Lot  
503 9<sup>th</sup> Avenue SE  
Albany, OR 97322

### SITE DESCRIPTION

**GENERAL:** A rectangular-shaped corner site which is level and at street grade. The site is within an industrial area immediately south of Highway 99E.

**Shape:** Rectangular

**Land Area:** The site is 0.10 acres (4,160 SF) in area on a 64' x 65' lot.

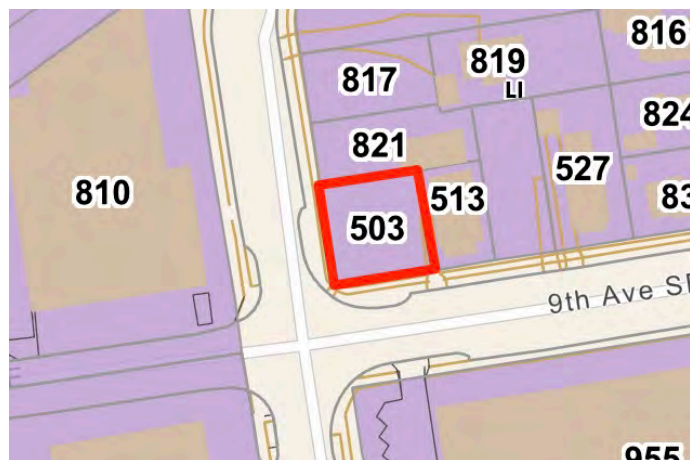


## PROPERTY DESCRIPTION (continued)

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### SITE DESCRIPTION (CONTINUED)

<b>Access/Exposure:</b>	The subject has average access and exposure to Jackson Street, a neighborhood collector, and also to 9 <sup>th</sup> Avenue.
<b>Topography:</b>	Level at street grade.
<b>Utilities:</b>	All public utilities are available.
<b>Site Improvements:</b>	Public sidewalks; 6' chainlink fencing; gravel.
<b>Easements/Encroachments:</b>	A preliminary title report was <u>not</u> provided to the appraiser. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject.
<b>Flood Plain:</b>	FEMA FIRM panel 41043C 0213H (12/8/2016) locates the subject in zone X, outside known flood hazard zones.
<b>Drainage:</b>	Nothing adverse noted during the inspection.
<b>Environmental:</b>	A current environmental report was not provided. Upon property inspection and interview with representatives, no adverse factors are noted, and this appraisal assumes that none exist. Please refer also to the Assumptions and Limiting Conditions.
<b>Geology:</b>	A geotechnical report was not provided. Subject soils are assumed stable and capable of supporting development commensurate with the concluded highest and best use.
<b>Zoning:</b>	The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.



## PROPERTY DESCRIPTION (continued)

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### SITE DESCRIPTION (CONTINUED)

**Surrounding Uses:**

<b>North-</b>	SFR
<b>South-</b>	Industrial
<b>East-</b>	SFR
<b>West-</b>	Industrial

**Site Summary:** The subject site has adequate and marketable buildable area, average access and traffic in a built-up light industrial area, with all public utilities available. The site has good access to Highway 99E and to I-5. The site would be desirable for development.



## SUBJECT PHOTO

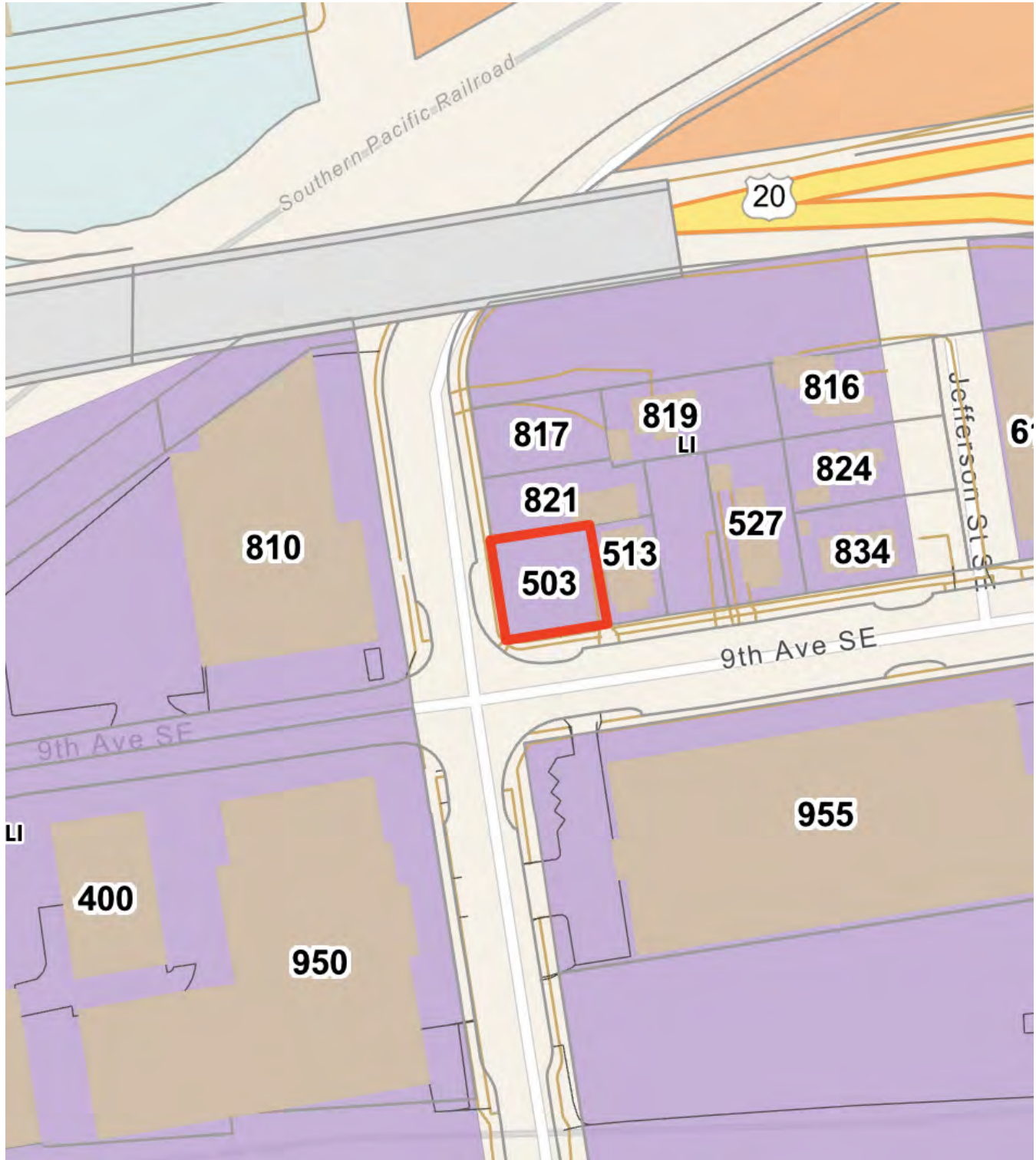


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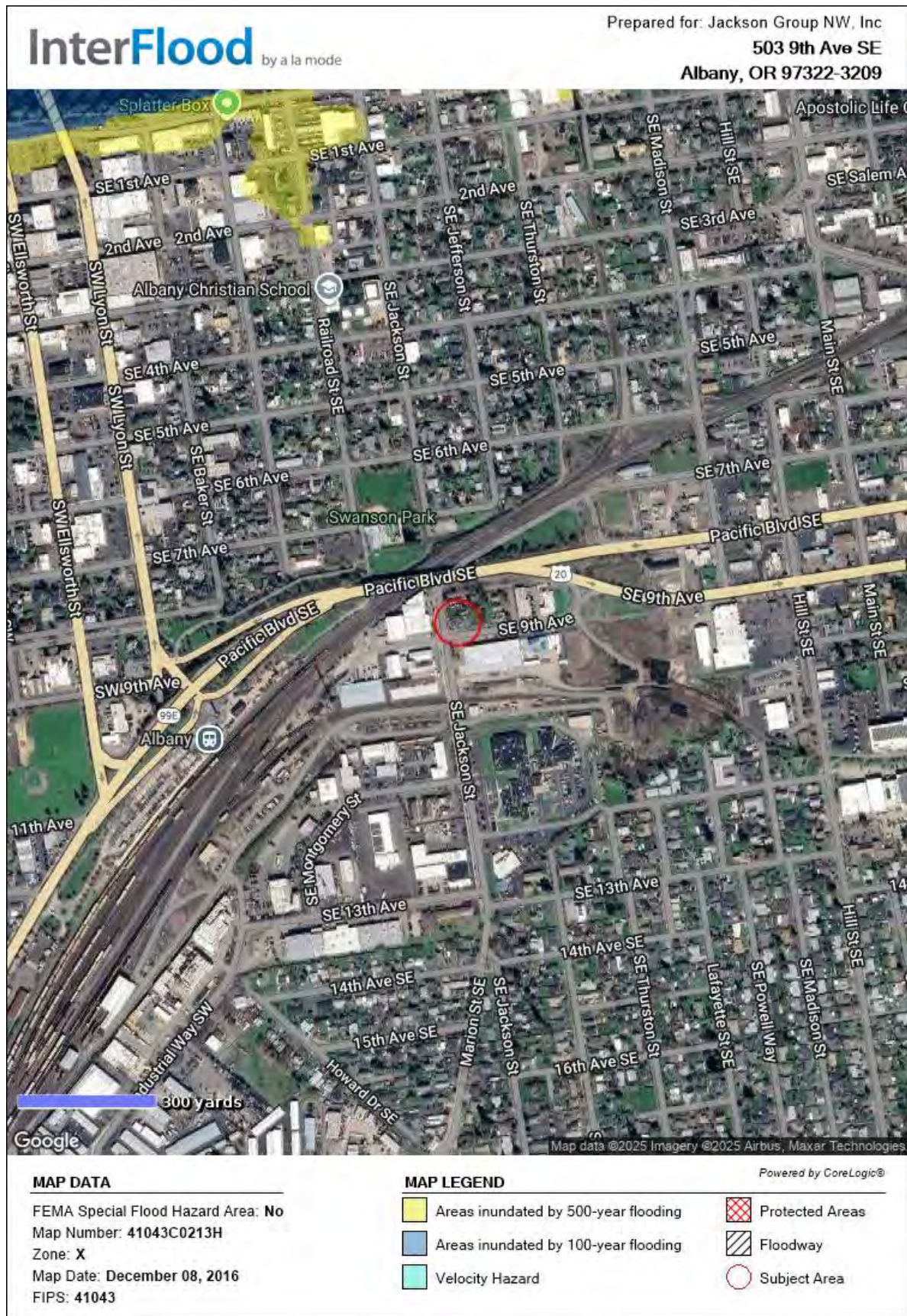


## ZONING MAP





# FLOOD MAP





## SUBJECT PROPERTY PHOTOGRAPHS

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Subject from southeast corner of site, looking northwest



Subject from northwest corner of site, looking southeast

## SUBJECT PROPERTY PHOTOGRAPHS (Continued)

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Jackson Street, looking south. Subject is at left



9th Avenue, looking west. Subject is ahead at right





9th Avenue, looking east. Subject is at right



Jackson Street, looking north. Subject is at right

# HIGHEST AND BEST USE ANALYSIS

The Appraisal Institute defines the concept of highest and best use as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability." <sup>3</sup>

The highest and best use concept is based on traditional appraisal theory and reflects the attitudes of typical buyers and sellers who recognize that value is predicated on anticipation of future benefits. This theory is based on the wealth maximization of the owner. In the appraisal process, highest and best use concept typically reflects most probable use, and often relates to the most probable value of the property.

## **AS VACANT**

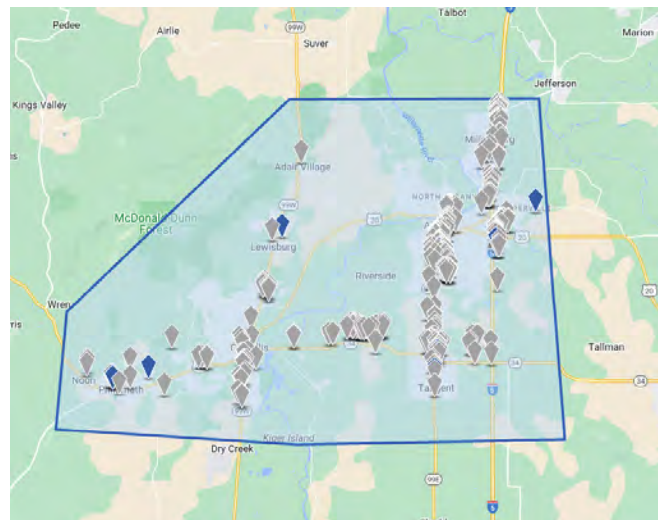
The subject site is zoned LI (Light Industrial) by the City of Albany. This zoning allows a wide variety of low-impact industrial uses, including manufacturing, warehousing, wholesaling, assembling, contracting and related uses. The site is physically functional, with marketable buildable area, access, and all utilities available. The immediate vicinity is built out, with little vacant land available.

**Physical:** The subject site is within a commercial / industrial corridor, adjacent to Highway 99E, with very good proximity to Interstate-5 via a nearby interchange. The immediate neighborhood is an industrial enclave that is well located to serve local as well as transient markets in the central Willamette Valley and beyond. The size, shape, topography, and soil conditions of the parcel are functional, with city utilities available. Extensive site frontage provides good exposure on a local collector. With functional shape and area, good location and linkages, the subject site would have good appeal for owner-occupancy. Given proximity to commercial and residential areas of Albany, a service-oriented use would seem likely.

**Legal:** The subject zoning promotes light industrial uses. The subject presents no extraordinary obstacles to development.

**Feasibility:** Employment and general economic conditions have been improving. The Albany area appears to be experiencing some growth, with recent investment apparent. The subject site as vacant is of adequate area and functional for development, and would have good appeal to an owner-user. The subject's commercial proximity indicates possible industrial/service use.

A CoStar survey of smaller industrial properties in the Albany submarket (see map at right) shows variable but low vacancy, currently at 1.3%.



<sup>3</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute

## HIGHEST AND BEST USE ANALYSIS

Rents have been increasing since 2015, but leveled off in 2021, and today are 8.9% above the five-year average. Please refer to the graph at right and the table below.

Industrial properties are relatively unaffected by changing employee location (workplace / home) dynamics. Industrial rents are forecast to continue their steady rise. Low vacancy and rising prices are indicative of demand, which favors subject development. Nonetheless, speculative development in the near-term is not supported given current economic uncertainty.



Availability	Survey	5-Year Avg
Rent Per SF	\$8.91	\$8.18
Vacancy Rate	1.3%	1.9%
Vacant SF	130,210	189,181
Availability Rate	1.9%	3.0%
Available SF	188,410	300,374
Sublet SF	8,000	64,952
Months on Market	4.9	6.1

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	-33,846	55,041
12 Mo. Leasing SF	85,613	104,444

Inventory	Survey	5-Year Avg
Existing Buildings	326	323
Existing SF	10,104,161	9,986,766
12 Mo. Const. Starts	0	47,046
Under Construction	0	31,760
12 Mo. Deliveries	2,730	52,273

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$71	\$78
Asking Price Per SF	\$104	\$97
Sales Volume (Mil.)	\$33	\$27
Cap Rate	-	7.5%

Further analysis of possible development scenarios is beyond the scope of this appraisal, which develops and reports our opinion of as is market value.

Summary / As Vacant Conclusion: The subject market area is a stable corridor. Additional speculative development is not supported at this time. Based on planning goals, market trends, and subject specifics, the highest and best use of the subject site, as if vacant, is for development of a light industrial or service project, depending on changing market conditions and specific demand from prospective owner-users and/or primary lease tenants.

# VALUATION

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## INTRODUCTION

The social, economic, governmental, and environmental forces influencing the subject property have been presented. The specific physical and location characteristics of the site and improvements have been described. The highest and best use of the subject property is concluded to be as 0.10 acres of LI zoned land on a corner site.

The appraisal assignment is to develop and report our opinion of the As Is Market Value of the subject property. The final opinion of value is a fee simple value.

## VALUATION APPROACHES

The Cost Approach is typically performed in valuation of newly-built &/or special-use properties, and properties in which a greater proportion of overall value is in the land. The Income Capitalization Approach is typically the strongest indicator for properties that would trade based on income / investment potential as the primary consideration. The Sales Comparison Approach is considered most applicable by owner-users and buyers giving additional consideration to benefits of ownership, and to physical presence.

## VALUE CONCLUSION

The subject is 4,160 SF (0.10 acre) of usable industrial-zoned land, on a corner site in an industrial enclave.

The subject land value is developed by sales comparison approach, which is the sole approach used for the land. This is typical for valuation of vacant fee owned land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.



## SITE VALUATION

In this section, the market value of the subject site is developed by comparing it with light industrial use sites. The subject site is located in an established industrial neighborhood adjacent to a commercially intensive arterial, Highway 99E, within a greater growing submarket with low vacancy and rising rents.

### SITE COMPARABLE SALES ANALYSIS

When applicable, comparables are first adjusted for property rights conveyed, and non-market financing. Land sales are then adjusted to the subject according to comparable elements of zoning, location, physical characteristics, potential economic use, and market conditions.

The following adjustment grid represents a bracketing analysis that generally ranks the subject among the comparables. Adjustments are expressed as numerical percentages, to illustrate the relative weight given individual adjustments, compared with the subject property, and each other. The comparables are adjusted to the subject property consistent with standard appraisal methodology. A positive percentage adjustment indicates that a comparable is inferior to the subject regarding a specific (or set of related) characteristic(s) and is therefore adjusted upward to simulate rough parity with the subject property. Conversely, negative adjustment indicates that a comparable is superior to the subject in some regard and so is adjusted downward. The adjusted values indicate a quantifiable range of market value for the subject property, which is further refined in the narrative analysis that follows.

Comparable Land Sale Adjustment Grid

#	Comparables	Sale Price / Sale Date	Acre s(AC)	Size (SF)	\$/SF	Econ. Location	Size	Zoning / Utility	Site Imps. / Grading	Time - % annually	Market Cond.	Net Adjustment	Adjusted \$ / SF % of Unadjusted
1	92341 Booth St Junction City	\$325,000 1-Jun-2024	1.66	72,217	\$4.50	\$0.45 10.00%	\$2.25 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.08 1.85%	\$0.00 0.00%	\$2.78 61.85%	\$7.28 0.00%
2	740 Ellingson Rd SW Albany	\$240,000 26-Apr-2024	0.80	33,122	\$7.25	\$0.00 0.00%	\$1.81 25.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.16 2.15%	\$0.00 0.00%	\$1.97 27.15%	\$9.22 0.00%
3	3766 NE Steelhead Run Dr Albany	\$300,000 14-Mar-2024	1.41	61,306	\$4.89	\$0.00 0.00%	\$2.45 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.12 2.51%	\$0.00 0.00%	\$2.57 52.51%	\$7.46 0.00%
4	4380 SW Deschutes St Corvallis	\$1,016,824 17-Feb-2023	3.48	151,589	\$6.71	(\$0.67) -10.00%	\$4.03 60.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.39 5.77%	\$0.00 0.00%	\$3.74 55.77%	\$10.45 0.00%
5	93309 Prairie Rd Junction City	\$425,000 27-Jul-2022	0.79	34,376	\$12.36	\$1.24 10.00%	\$3.09 25.00%	\$0.00 0.00%	(\$3.71) -30.00%	\$0.92 7.48%	\$0.00 0.00%	\$1.54 12.48%	\$13.90 0.00%
6	1921 SW Ferry St Albany	\$170,000 12-Apr-2022	0.83	36,300	\$4.68	\$0.00 0.00%	\$1.17 25.00%	\$1.17 25.00%	\$0.00 0.00%	\$0.39 8.36%	\$0.00 0.00%	\$2.73 58.36%	\$7.41 0.00%

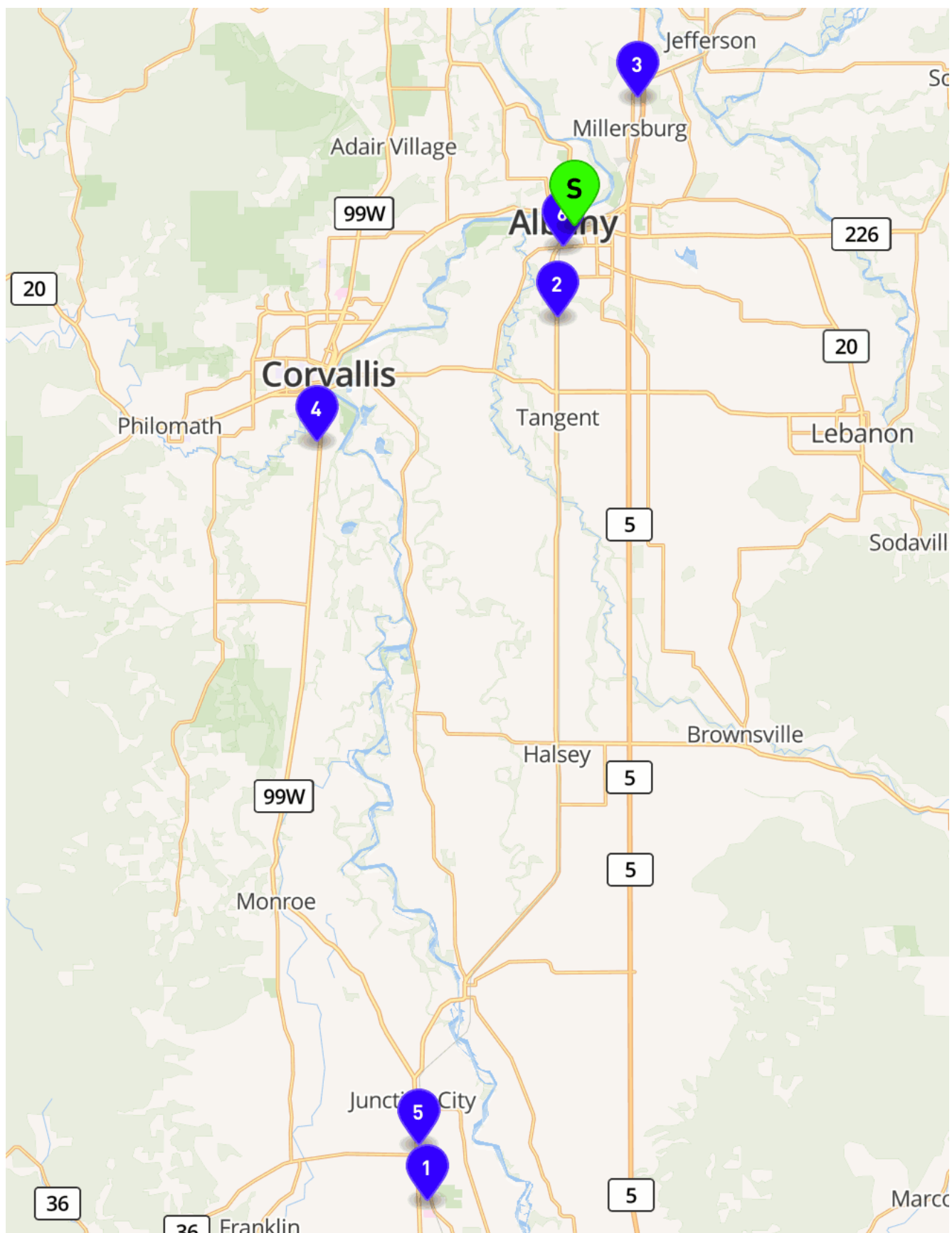
Sales of land with similar economic location, potential legal use(s) and functional utility were researched throughout the greater market area. Selected sales represent the most recent and comparable land sales available for analysis. Unadjusted sales range between \$4.50/SF and \$12.36/SF.

# Comparable Sale Table



Name/Location	Date of Sale	Usable Site SF	Usable Site Acres	Zoning	Utilities Available	Shape Topography	Existing Improvements	Price / SF
1 92341 Booth St Junction City, OR 97448	6/1/2024	72,217 SF	1.66 Acres	M3, Heavy Ind	None	Flag Level, at street grade	Data Center	\$4.50
2 740 Ellingson Rd SW Albany, OR 97322	4/26/2024	33,122 SF	0.80 Acres	IL	All available	Rectangular Level, at street grade	Unknown	\$7.25
3 3766 NE Steelhead Run Dr Albany, OR 97321	3/14/2024	61,306 SF	1.41 Acres	IL	All available	Rectangular Level, at street grade	Unknown	\$4.89
4 Industrial Land 3480 SW Deschutes St Corvallis, OR 97333	2/17/2023	151,589 SF	3.48 Acres	GI	Sewer, Telephone, and Water	Irregular Level, at street grade	6 Building Self Storage	\$6.71
5 93309 Prairie Rd Junction City, OR 97448	7/27/2022	34,376 SF	0.79 Acres	M2, Lt Ind.	Well, Septic	Irregular Level, at street grade	9600 SF Whse, Possible smaller 2nd bldg	\$12.36
6 1921 SW Ferry St Albany, OR 97322	4/12/2022	36,300 SF	0.83 Acres	LI	All available	Rectangular Level, at street grade	Unknown	\$4.68

## INDUSTRIAL LAND SALE MAP



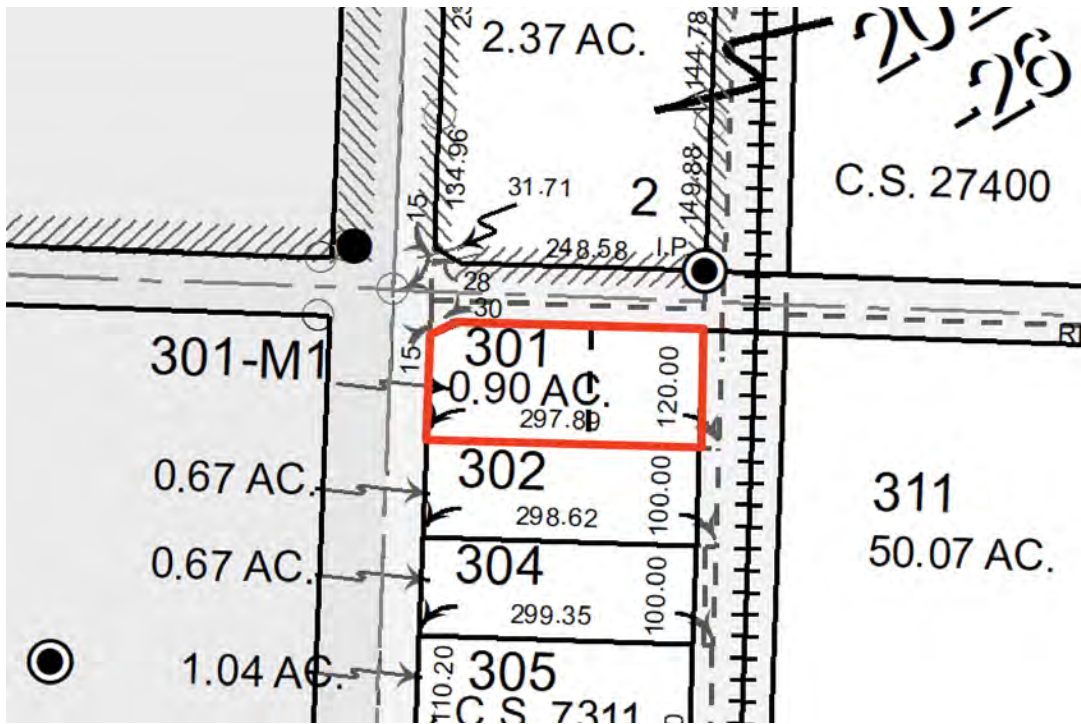
# COMPARABLE PHOTOS

Comp # 1.



92341 Booth St

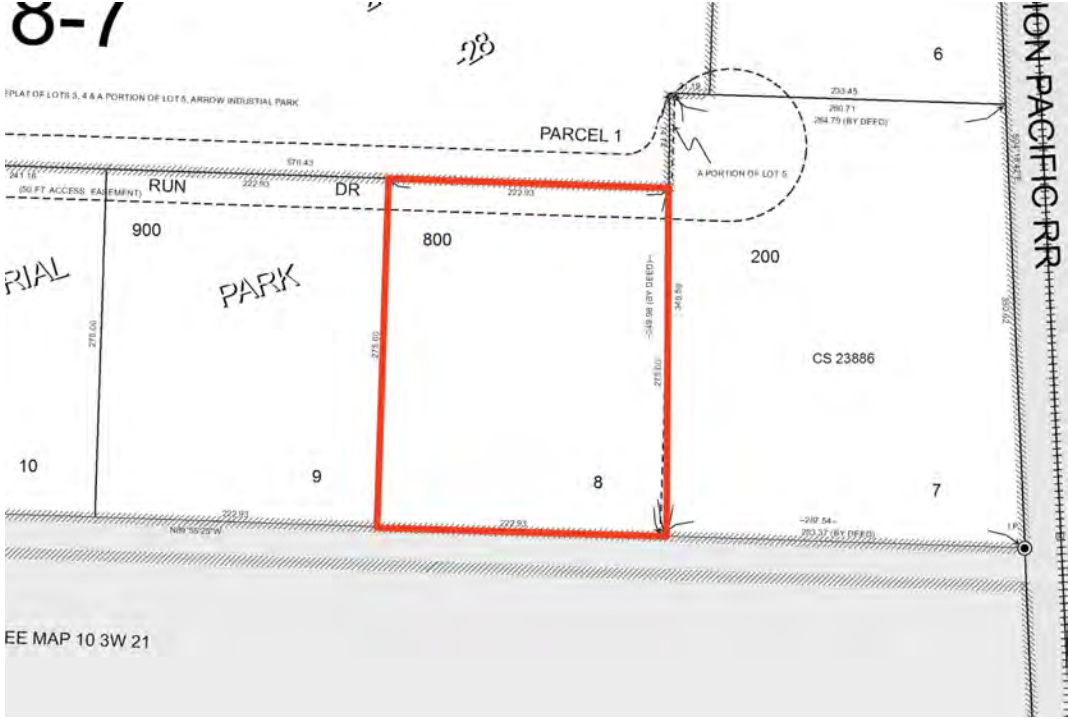
Comp # 2.



740 Ellingson Rd SW



Comp # 3.



3766 NE Steelhead Run Dr

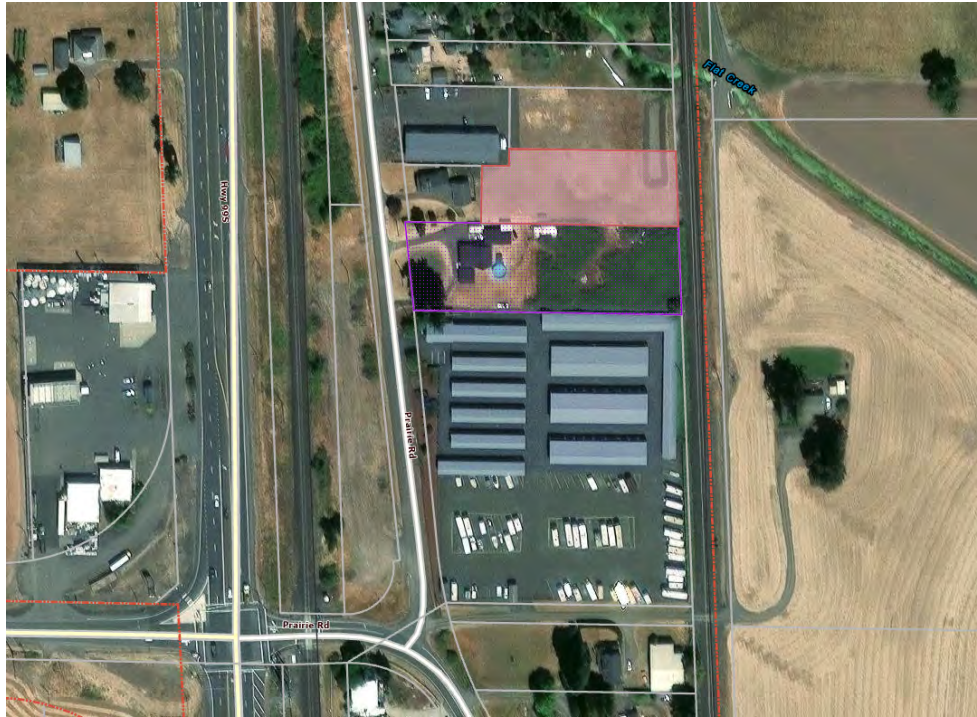
Comp # 4.



3480 SW Deschutes St

## COMPARABLE PHOTOS (continued)

Comp # 5.



93309 Prairie Rd

Comp # 6.



1921 SW Ferry St



## SITE VALUATION (continued)

Location / Access – The location & access adjustment is intended to account for differences in the immediate market areas of the comparables relative to the subject, as well as specific deficiencies that may attach to a particular comparable. Comparables 1 and 5 have mildly inferior locations and are adjusted upward 5% apiece. Comparable 4 has a superior location in Corvallis, where industrial land is scarcer, and is adjusted downward 10%. All of the other comparables have similar location and local demographics, and receive no adjustments.

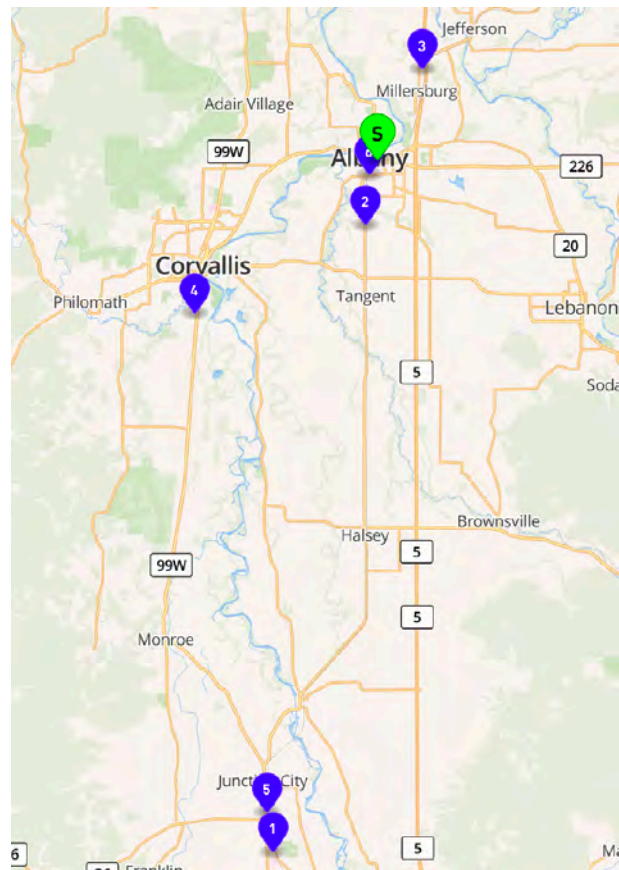
Land Area – The land area adjustment is made to reflect the relationship between size and unit values. Typically, a relatively larger area will depress the per-unit price (reduced competition for larger, more expensive parcels). All of the comparables are larger sites, and receive upward adjustments between 25% and 60%.

Zoning / Potential Use / Functional Utility – This adjustment considers differences in permitted / probable economic use of the property, from legal, physical and marketability perspectives, compared with the subject. All of the comparables have similar zoning. Comparable 6 is adjusted upward 25% for inferior utility, with a long narrow shape and very small frontage relative to overall site area. No other adjustments are made in this category.

Site Improvements – This adjustment reflects improvements to the site already made which would contribute to the proposed use. Comparable 5 had plans and approvals already in place for a 9,600 SF building, and is adjusted downward 30%. No other adjustments are made.

Time Adjustment – This adjustment reflects change in market conditions between the sale date and the date of analysis. Growth and price appreciation in the subject corridor has been slow but positive, and application of a Market Conditions / Time adjustment is indicated. Considering the residual effects of the COVID years, this adjustment is based on an average (linear) annual appreciation rate of 3% on sale prices, applied monthly to the number of months from the comparable sale date to the date of value.

Market Condition – This adjustment is intended to reflect intangible factors other than time that affect marketability, such as the availability of financing, atypical market events, and the demand for the property type. This adjustment is specific to the comparable as opposed to the time adjustment, which is a representation of the general market. None of the comparables were adjusted.



## SITE IMPROVEMENT VALUATION

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### LAND VALUE CONCLUSION

Adjusted comparables indicate a range of market value from \$7.28 to \$13.90/SF.

Considering market trends and the comparables, and also subject location and small size, a market value of \$12/SF is concluded. The indicated market value for the subject site by the sales comparison approach is  $(4,160 \text{ SF} \times \$12/\text{SF}) = \$49,920$ , rounded to: **\$50,000**.

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<b>As Is Fee Simple Value, Subject Property:</b>
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<b>January 9, 2025</b>
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<b>\$ 50,000</b>
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# CERTIFICATION OF APPRAISAL

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It is hereby certified that, to the best of the appraisers' knowledge and belief, the statements of fact contained in this report are true and correct.

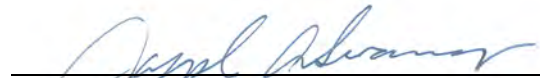
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting pre-determined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, W. Paul Jackson MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- We have performed no appraisal services, as appraiser(s) or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment.
- Joseph A. Swaney made a personal inspection of the property that is the subject of this report. W. Paul Jackson did not inspect the subject property.
- No one not named in the appraisal report provided significant real property appraisal assistance to the person(s) signing this certification.



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W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



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Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026

## ADDENDA CONTENTS

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### EXHIBIT A

Appraiser's Qualifications / Company Profile / Client Contracts

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### EXHIBIT B

N/A

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### EXHIBIT C

N/A

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### EXHIBIT D

N/A

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## **COMPANY PROFILE**

Jackson Group NW, Inc. is a commercial real estate appraisal and consulting firm located in Portland, Oregon. The goal of the company is to provide appraisal and consultation services in a professional and timely manner. We provide appraisal services for properties located in Oregon and Washington. We are dedicated to the company's goal of providing quality appraisal and consultation services on a personal basis.

We have extensive experience in appraising and providing consultation services. Our scope of experience includes multiple property types and various ownership interests from small owner occupied properties to large institutional grade investments.

**W. Paul Jackson, MAI** has worked as a commercial appraiser and consultant since 1992. Mr. Jackson has experience in appraising multiple property types. He also has experience in appraising property for estate planning and court testimony. Over the years, in addition to the standard property types, he has developed valuable experience and expertise in the valuation of Hotels/Motels, gas stations/c-stores, mobile home parks, golf courses, institutional grade government buildings and a handful of other unique property types. Mr. Jackson prides himself on his ability to provide quality professional appraisal services that are both reliable and on time. Whatever your appraisals need, be it a simple owner occupied office or a complex re-development, you can rely on Mr. Jackson to provide you with the service you need.

**Joseph B. Skilton** has worked in real estate since 1978 as a land survey fieldman and drafter, cartographer (Ticor), real estate research analyst, corporate librarian, computer analyst, and real estate publisher (Real Estate Transaction Journal). Mr. Skilton joined us in 1999 and specializes in retail, general commercial, and special-use property appraisals.

**Joseph A. Swaney** had a prior career working in the information technology field as a computer programmer and database analyst. His first introduction to real estate was as a surveyor's chainman in his teenage years. He joined Jackson Group NW, Inc. in February 2005 as an assistant to W. Paul Jackson, and became a Certified General Appraiser in 2012.

**William E. "Bill" Leavens** has worked in the real estate community since high school where he did general construction, property management and accounts receivable for Leavens Investments, a family-owned rental property business. He began appraising in January 2003, specializing in apartment appraisals. Over the past decade Bill has gained extensive experience in appraising and providing consultation services for multifamily developments as a high value employee and also as the owner of his own appraisal firm. Bill brings a high level of customer service and expertise to our firm that is of great value to our clients and us.

**Garth W. Bergeson** has worked in commercial real estate appraisal since June 2004 and is currently certified in both Oregon and Washington. Garth has a broad base of experience ranging from standard commercial real estate appraisal work to complex land valuations. Garth brings a level of expert analysis and critical thinking to our team that is reflected in his clear and logical writing style.

## **COMPANY PROFILE (CONTINUED)**

To better serve our clients, Jackson Group NW, Inc. maintains state of the art computer equipment, real estate analytical software programs, libraries of comparable and resource data, property sales, lease transactions, property data computer retrieval systems, and other necessary tools and information relevant to the real estate appraisal and consultation field.

Jackson Group NW, Inc. considers its clients to be its most valuable assets. We have served various small and large financial institutions, corporations, developers, private individuals, attorneys, accountants, and government agencies. Our appraisal experience extends to all types of commercial, industrial, residential, apartment, resort, agricultural, and special use properties.

Past appraisal assignments have been conducted to serve various functions, including mortgage financing, property purchase and disposition, lease/rent arbitration, litigation support, condemnation, property tax analysis and appeal services, and corporate planning purposes.

## **PROFESSIONAL SERVICES**

- **Valuation Reports:** The market valuation of real property interests (*fee simple, leasehold, leased fee, etc.*) in various types of properties is the primary focus of most real property appraisal assignments performed by Jackson Group NW, Inc.
- **Real Estate Consulting:** Jackson Group NW, Inc. also conducts consulting assignments relating to all property types. Providing competent, unbiased, professional guidance on diversified problems in real estate has taken on ever increasing importance as a method of reducing the risks associated with the real estate field. The firm has undertaken such tasks as discounted cash flow analysis, highest and best use analysis, market studies, subdivision analysis, and market / feasibility analysis.
- **Arbitration, Litigation Support, and Expert Witness Services:** Jackson Group NW, Inc. also offers services for real estate matters involving arbitration (*ground rent renegotiations, tenant space lease renegotiations, etc.*). We also offer litigation support services to attorneys with various real estate problems. It is our goal to provide not only offensive, but defensive strategies, in a fair and unbiased manner, in order to expose the strengths and weaknesses of a particular case. Finally, we are experienced in working with attorneys in preparation for expert witness testimony.
- **Appraisal Review Services:** An appraisal review serves the purpose of analyzing the content and conclusions of an appraisal report. Clients consider an appraisal review to be a valuable tool in determining the credibility of an appraisal report, in order to reduce the risks associated with important lending, legal, and investment decisions.
- **Property Tax Analysis and Appeal Services:** The real property tax liability for property has a direct impact on its operating/holding expenses, net income, and associated market value. Therefore, competent representation before government agencies regarding ad valorem taxes can be critical in keeping this expense item in check.

## PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI

Paul Jackson was born in Albany, Oregon and attended Oregon State University.

### EDUCATION

- Oregon State University, Bachelor Degree Economics 1991

### APPRAISAL INSTITUTE COURSES

- Analyzing Operating Expenses 2020
- 2020-21 USPAP 7-Hour Update 2020
- Forecasting Revenue 2020
- Small Hotel/Motel Valuation 2020
- Appraisal of Medical Office Buildings 2018
- Appraising Automobile Dealerships 2018
- Business Practices and Ethics 2018
- Eminent Domain and Condemnation 2018
- Data Verification Methods 2016
- Rates, Ratios: Making sense of GIMs, OARs, and DCF 2016
- Forecasting Revenue 2016
- Business Practices & Ethics 2016
- 7-hour USPAP 2016
- Business Practices & Ethics 2014
- Small Hotel/Motel Valuation 2014
- Subdivision Valuation 2014
- The DCF Model: Concepts, Issues, and Apps. 2014
- Green Buildings: Principles & Concepts 2014
- USPAP 7 hour Update 2011
- Feasibility, Market Value, Investment Timing: Option Value 2011
- Scope of Work: Expanding Your Range of Services 2011
- Appraising Convenience Stores 2011
- Site Valuation and Cost Approach 2009
- Analyzing Operating Expenses 2008
- Analyzing Distressed Real Estate 2008
- USPAP National Course Update 2008
- Using Your HP12C Financial Calculator 2006
- Feasibility, Market Value, Investment Timing: Option Value 2006
- Appraisal Report Writing Seminar 2004
- Small Hotel / Motel Valuation 2004
- GIS Applications for Real Estate Appraisal 2004
- Course 400, USPAP National Course Update 2003
- Search Strategies for Real Estate Appraisers 2001
- Valuation of Detrimental Conditions in Real Estate 2001

### PROFESSIONAL LICENSES

- Certified General Appraiser:
  - 1) State of Oregon Certificate No. C000548
  - 2) State of Washington Certificate No. 1100337

PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI

PROFESSIONAL AFFILIATIONS

- Designated Member of the Appraisal Institute (MAI) 2004

PROFESSIONAL EXPERIENCE

- Owner, Jackson Group NW, Inc., Portland, Oregon 2013 to Present
- Owner, Cassinelli Jackson LLC, Portland, Oregon 1997 to 2013
- Commercial Appraiser, Palmer Groth & Pietka, Inc., Portland, Oregon 1992 to 1997

## **AREAS OF COVERAGE**

We cover all of Oregon, SW Washington as far north as Pacific county (Aberdeen) and SE Washington as far east as Walla Walla.

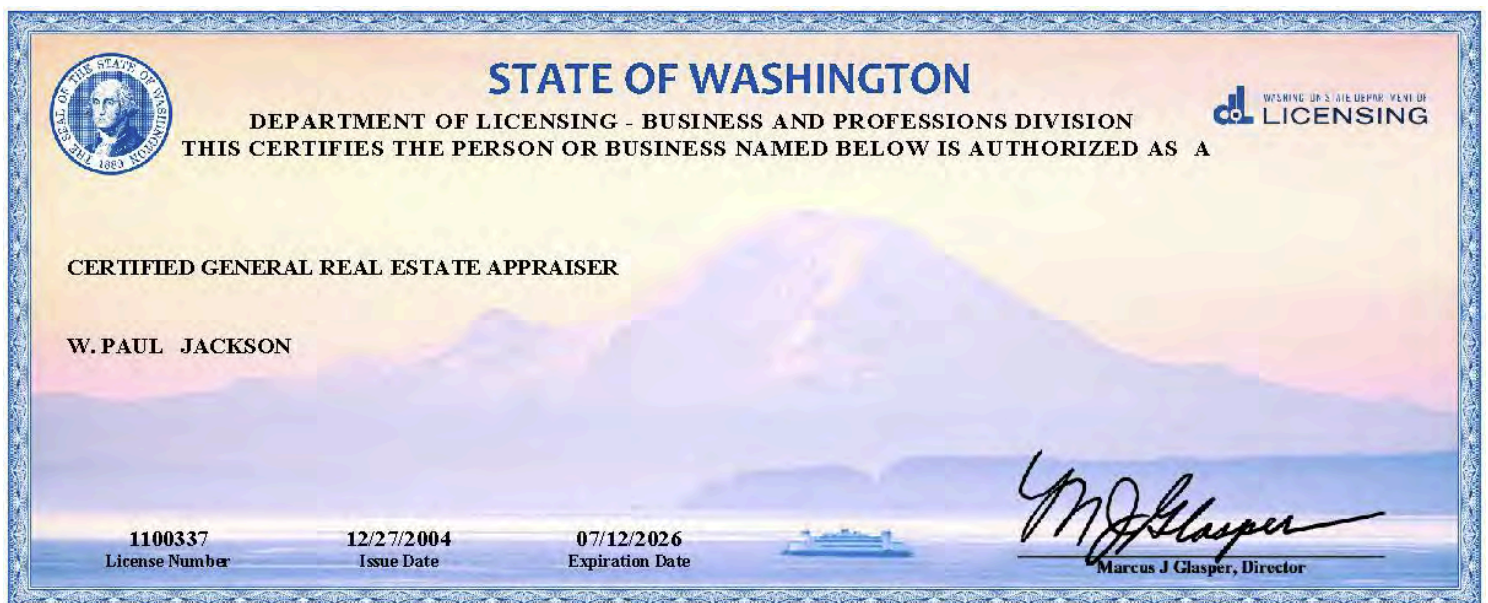
We have extensive expertise and experience in appraising all types of commercial real estate, which includes the following:

- Retail – All types
- Office –All types and Classes
- Industrial - All types
- Hotels/Motels - All types
- Mobile Home Parks
- Gas Stations/ C-Stores
- Restaurants – Fast Food and Sit Down
- Multi-Family
- Camp Grounds
- RV Parks
- Subdivision Analysis
- All types of Land
- Churches
- Schools/Universities/Government Buildings
- Agricultural Property

I have been appraising commercial real estate for more than twenty-five years and my four associates have 12 to 20 years of experience in commercial real estate appraisal. There are very few property types or real estate valuation issues that we have not analyzed over the past couple of decades.

Thank You

Paul Jackson, MAI  
Jackson Group NW, Inc.





## PROFESSIONAL QUALIFICATIONS – JOE SWANEY

Joe Swaney was born in Portland, Oregon and is a graduate of Portland State University.

### EDUCATION

- Portland State University, Bachelor of Arts, Political Science 1984

### APPRAISAL INSTITUTE COURSES

- Basic Income & Capitalization Theory 2005
- Advanced Income & Capitalization Theory 2008
- Report Writing & Valuation Analysis 2008
- Site Valuation & Cost Approach 2008
- Sales Comparison Approach 2008
- Market Analysis and Highest & Best Use 2010
- Apartment Appraisal 2010
- Basic Appraisal Procedures 2012

### OTHER APPRAISAL COURSES

- Foundations of Appraisal, Portland Community College 2005
- Standards of Professional Practice (*USPAP*), Pro-Schools 2005
- Statistics, Modeling & Finance, McKissock, LP 2010
- FHA Single Family Appraisal, Career WebSchool 2010

### PROFESSIONAL LICENSES

- Certified General Appraiser  
State of Oregon Certificate No. C001088

### PROFESSIONAL EXPERIENCE

- Appraiser Jackson Group NW, Inc. Portland, Oregon 2013 to Present
- Appraisal Assistant, Cassinelli Jackson LLC, Portland, Oregon January 2005 to 2013
- Senior Programmer/Analyst, Regence Group, Portland, Oregon February 1989 to December 2004

The seal of the State of Oregon is a large, faint background watermark. It features an eagle with wings spread, perched on a shield. The shield contains a plow, a sheaf of wheat, and a sailing ship. The words "STATE OF OREGON" are written in a circular border around the eagle, and the year "1859" is at the bottom.

## Appraiser Certification and Licensure Board

State Certified General Appraiser

*28 hours of continuing education required*

**JOSEPH A SWANEY  
JACKSON GROUP NW, INC.  
PO BOX 1246  
CANBY, OR 97013**

License No.: C001088  
Issue Date: March 01, 2024  
Expiration Date: February 28, 2026

A handwritten signature in blue ink, appearing to read "Chad Koch".

Chad Koch, Administrator



January 2, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin St. SW  
Albany, OR 97321  
Email: [Matthew.Ruettgers@cityofalbany.net](mailto:Matthew.Ruettgers@cityofalbany.net)  
Phone: (541) 917-7674

**RE: INDUSTRIAL ZONED LAND**  
817 Jackson St SE, Albany  
503 9<sup>th</sup> Ave SE, Albany  
519 9<sup>th</sup> Ave SE, Albany

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Dear Mr. Ruettgers,

I am pleased to submit the following proposal for the requested assignment. The terms and conditions are specified as follows:

**ASSIGNMENT SCOPE AND SPECIFICATIONS**

<b>Purpose:</b>	Estimate the market value of the above referenced property
<b>Property Rights Appraised:</b>	Fee Simple
<b>Premise / Valuation Date:</b>	Provide As Is Market Value as of the inspection date
<b>Intended Use:</b>	Determine value from which to establish a sales price
<b>Intended User:</b>	Matthew Ruettgers, City of Albany Community Development, and associated professionals
<b>Inspection:</b>	An on-site inspection of the property will be made by the appraiser
<b>Valuation Approaches:</b>	All applicable approaches as determined by the appraiser
<b>Report Type:</b>	Appraisal Report as per client requirements
<b>Appraisal Report Standards:</b>	Uniformed Standards of Professional Appraisal Practice
<b>Appraisal Fee:</b>	\$4,500
<b>Expenses:</b>	Included in the fee
<b>Retainer:</b>	0% (\$0)
<b>Payment Terms:</b>	Payment due upon delivery of the appraisal report. Please remit payments to: <b>Jackson Group NW, Inc.</b> <b>PO Box 1246</b> <b>Canby, OR 97013</b>
<b>Acceptance Date:</b>	This contract proposal is valid 5 business days from the date of this letter
<b>Start Date:</b>	Job commencement begins upon receipt of the signed contract and all requested information.
<b>Delivery Date:</b>	January 27, 2025 assuming prompt receipt of the contract, retainer, and all requested information.

**Report:**

The finished appraisals, one for each property, will be delivered via email to the client email in PDF format. Hard copies can be provided upon request for \$175 per copy.

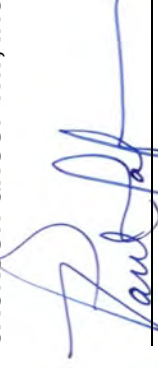
If additional consultation is necessary after the appraisal is completed, the client will be billed at an hourly rate of \$350 per hour for all time expended. If the assignment is canceled for any reason prior to completion, the client will be billed at an hourly rate of \$350 per hour for all time expended prior to cancellation.

If the appraiser is required to give testimony for any reason, or at any time in connection with this assignment, then the client agrees to assume any reasonable professional fees and related costs, including preparation time. Trial preparation and consultation is billed at \$350 per hour. Court testimony time is billed at \$450 per hour.

Acceptance of this agreement by yourself, or a duly authorized agent, should be indicated by signing and mailing/delivering an authorized copy of this agreement to my attention. I look forward to working with you on this assignment, and should you have any questions on any aspect of this letter, please do not hesitate to call.

Sincerely,

**JACKSON GROUP NW, INC.**



W. Paul Jackson, MAI  
Oregon Certified General Appraiser C000548  
Washington Certified General Appraiser 1100337

Phone : 503-358-7340

Email : [paul@jacksongroupnw.com](mailto:paul@jacksongroupnw.com)

**ACCEPTANCE:**



Client Signature

1/2/2025

Date

**Matthew Ruetters**

Client Name (Printed)

541-917-7674

Phone #

[matthew.ruetters@albanyoregon.gov](mailto:matthew.ruetters@albanyoregon.gov)

Email

**same as above**

Property Contact Name (Printed)

Phone #

Email





**APPRAISAL REPORT**

ALBANY INDUSTRIAL LAND  
519 9<sup>th</sup> Avenue SE  
Albany, OR 97322

PREPARED FOR:

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

PREPARED BY:

Joseph A. Swaney  
W. Paul Jackson, MAI  
**JACKSON GROUP NW** INC.  
PO Box 1246  
Canby, OR 97013  
(503) 358-7340

[www.jacksongroupnw.com](http://www.jacksongroupnw.com)

January 21, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

**RE: ALBANY INDUSTRIAL LAND**  
519 9<sup>th</sup> Avenue SE  
Albany, OR 97322

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Dear Mr. Ruettgers,

At your request, we have completed an appraisal of the property specified above, which is presented in the following appraisal report. The subject property is a 0.09 acre site located on one tax lot, currently vacant. We have appraised the property using generally accepted appraisal principles and practices. The following appraisal complies with:

- ◆ The Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and
- ◆ The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and

This appraisal uses standard recognized appraisal methodology to develop our opinion of the market value of the subject property. This appraisal is presented in report format compliant with USPAP Standard 2. As such, it summarizes the data, reasoning, and analyses used to develop our opinion(s) of value. Supporting documentation concerning the data, reasoning, and analysis is retained in our files. The depth of discussion contained in this report is specific to the needs of the client.

The client and intended user(s), intended use, type and definition of value, effective date, subject property, and assignment conditions of this appraisal are stated &/or described in the report. These factors limit the context of the appraisal, and the legitimate uses of this report. We are not responsible for any other use of this report, or any use by parties not named. Please refer to the Scope of Work, and Assumptions and Limiting Conditions sections for important information.

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value.



Based on our investigation and analysis of available information, our final opinion of market value of the subject property are:

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value:	January 9, 2025	\$ 50,000

The value opinion(s) concluded in this appraisal do not include furnishings, fixtures, equipment, personal property, or intangible items. The valuation is subject to the Assumptions and Limiting Conditions section of the following report, as well as the explanatory comments within the report, which should be referenced for a complete understanding of the value conclusion(s).

The opinion(s) of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

Extraordinary Assumptions

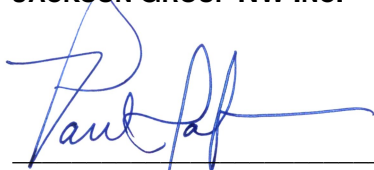
- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

Hypothetical Conditions

- N/A

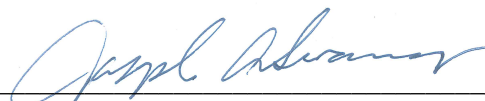
Sincerely,

**JACKSON GROUP NW INC.**



W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026

# TABLE OF CONTENTS

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Letter of Transmittal

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## **INTRODUCTION** **PAGE**

Appraisal Overview.....	1
Appraisal Information.....	3
Assumptions and Limiting Conditions.....	8

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## **DESCRIPTION**

Market Area Description & Maps.....	10
Site & Improvement Description .....	17
Photos & Exhibits .....	20
Highest and Best Use Analysis .....	26

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## **VALUATION**

Valuation Introduction.....	28
Site Valuation – Sales Comparison Approach.....	29
Certification of Appraisal.....	37

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## **ADDENDA**

- Exhibit A:** Professional Qualifications and Company Profile – Jackson Group NW, Inc.
- Exhibit B:** Appraisal Engagement Letter & Client Information

## APPRAISAL OVERVIEW

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### DESCRIPTION

**Property Name:** City of Albany Industrial Land

**Street Address:** 519 9<sup>th</sup> Avenue SE  
Albany, OR 97322

**Neighborhood Character:** The subject property is located in an industrial area adjacent to a regional connector, Highway 99E, in Albany, Oregon. Also known as Pacific Highway, Highway 99E is the primary commercial route in Albany, and connects the city to other communities in the Willamette Valley, most notably Corvallis and Eugene. I-5, two miles east of the subject, is the primary regional connector through the Willamette Valley. Off the arterials, uses turn to residential, with pockets of industrial development such as the subject neighborhood. No adverse environmental influences are noted that would negatively affect the subject property or neighborhood. The long-term outlook for the neighborhood is for continued desirability and positive property values.

**Site Area:** The site area is 0.09 acres (4,000 SF).

**Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.

**General Site Conditions:** A rectangular-shaped interior site, level and at street grade. The site is within an established industrial node within the Highway 99E corridor.

## APPRAISAL OVERVIEW (continued)

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**Improvements:** Grass, mature trees.

**Tenancy:** The site is currently unoccupied.

**Access/Exposure:** The subject has average access and exposure to Jackson Street, a neighborhood collector street.

### HIGHEST AND BEST USE

**"As Vacant":** Small industrial building commensurate with the size of the lot.

### VALUATION SUMMARY

**Interest(s) Appraised:** Fee Simple Interest. The subject has no tenant or leasing in place. Therefore, fee simple analysis applies.

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value (rounded):	January 9, 2025	\$ 50,000

# APPRAISAL INFORMATION

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## TRANSFERABILITY OF APPRAISAL

If this report is transferred/assigned to another party (user), and/or is reviewed and there are questions or additional work necessary to meet any subsequent guidelines/requirements, the appraiser may charge appropriate fees for any additional work performed. Our current billing rate is \$350/hour.

## LEGAL/TAX DESCRIPTION

No Investigation of title was provided. It appears that the corresponding County plat map matches property boundaries as apparent on the ground at the time of inspection. County assessment data is presented below.

Linn County Parcel # / Map & Tax Lot	Land	RMV Impr.	Total	Taxable Value	2024-25 Taxes
87029 / 11S 3W 07 AB 201	\$69,000	\$0	\$69,000	\$0	\$0

## CLIENT / INTENDED USER(S)

Jackson Group NW, Inc. has been retained by City of Albany, which is the client and intended user of this report.

## INTENDED USE

To provide the client and intended user with an opinion of market value, for use in pricing for marketing purposes.

## TYPE AND DEFINITION OF VALUE

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a Fee Simple value.

## EFFECTIVE DATE(S) OF VALUE

As Is Fee Simple Market Value:

January 9, 2025

## SUBJECT PROPERTY INSPECTION

Date:

January 9, 2025

Property Representative:

None present

Appraiser(s):

Joseph Swaney

OR Certified General Appraiser

### **MARKET VALUE<sup>1</sup>**

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by federal financial institutions of the United States of America is:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a Sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised, and acting in what they consider their best interests;
- 3) A reasonable time is allowed for exposure in the open market;
- 4) Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or Sale concessions granted by anyone associated with the sale.

Substitution of another currency for United States dollars in the fourth condition is appropriate in countries or in reports addressed to clients from other countries.

### **DEFINITIONS<sup>2</sup>**

#### **As Is Value**

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.

#### **Prospective Value**

A forecast of the value expected at a specified future date. A prospective value estimate is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

#### **Retrospective Value**

A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."

#### **Stabilized Value**

A value estimate that excludes from consideration any transitory condition, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay, or unfinished repairs.

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<sup>1</sup> Uniform Standards of Professional Appraisal Practice, 2024, The Appraisal Foundation

<sup>2</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute



## **APPRAISAL INFORMATION (continued)**

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### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

### **Leased Fee Estate**

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of lessor (leased fee owner) and the leased fee are specified by contract terms contained within the lease.

### **Leasehold Estate**

An ownership interest held by the lessee (tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

## **SUBJECT HISTORY OF OWNERSHIP INFORMATION**

A preliminary title report was not provided. Public records show title to the subject vested in the City of Albany, which has owned the subject for many years. The subject property is not listed for sale or for lease. We found no other conveyances of fee title in the three years prior to the date of value.

## **SCOPE OF THE APPRAISAL**

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value. All applicable appraisal procedures were employed, including:

- Definition of pertinent issues related to the appraisal assignment
- Inspection of the subject property
- Site and improvement analyses
- Highest and best use analysis (as vacant, and as improved)
- Market data selection, verification, and analysis
- Use of the approaches to value and valuation
- The reconciliation of value indications and final value estimate

Joseph Swaney conducted an on-site inspection of the subject property, which included walking through the subject, photographing the interior and exterior. Mr. Swaney performed the appraisal and authored the report. W. Paul Jackson, MAI, did not inspect the subject property but is familiar with the market area, has reviewed this report and concurs with the analysis and conclusions herein. Building areas are based on the county sketch which was verified by spot check measurements by the appraiser. Land area is based on plat map and county data.

Property representatives were interviewed about the physical features of the property including the condition, function, efficiency, and operation of the property, and also the history of ownership and marketing activity for the property. Government officials, contractors, developers, architects, engineers, attorneys, and other professionals and/or consultants were interviewed and/or referenced when applicable in the appraisal. Government zoning and planning documents, legally binding documents (purchase, option, or development agreements, leases, easements, or encumbrances), and professional and/or consultant reports are included and/or referenced where appropriate in the appraisal.

## APPRAISAL INFORMATION (continued)

The collection, verification and analysis of comparables are integral to the valuation analysis. This information was collected from sources deemed reliable and confirmed by interviewing knowledgeable market participants (buyers, sellers, property managers, tenants, brokers, consultants, developers, building owners, and/or investors) and exterior viewing of the properties. One or more knowledgeable parties to the transactions were interviewed in the verification and confirmation of the comparable data. The most current data (typically up to one year prior to the valuation date) was relied upon with primary emphasis on comparables located in the immediate market area when possible. When there was a lack of comparable information in the immediate market area, parameters were broadened to include similar competing markets and more dated transactions of properties in the immediate market area.

The following primary sources were contacted and contributed significant assistance in the appraisal process.

Primary Sources	Summary of Significant Assistance Provided
Matthew Ruettgers, City of Albany Community Development	Appraisal Engagement / Subject Information
Knowledgeable Market Participants	Comparable market data
Jackson Group NW, Inc. Database	Comparable market data
Linn County / City of Albany	Plat Map, Assessment, Zoning, Land Use Patterns, Proposed Projects, Legal Subject Land Use(s)

The following secondary data sources were relied upon in the appraisal process.

Secondary Data Sources	Summary of Significant Information Provided
Loop Net / CoStar Comps / RMLS	Comparable sales and listings
Local Government, Market Participants, Publications	Comparable Leads, Market Trends

All information necessary to competently complete this appraisal assignment was made available to the appraisers, **except:**

- Preliminary Title Report
- Environmental Investigation / Assessment Report
- Building Inspection Report
- Geotechnical Report

### VALUATION METHODOLOGY

The Sales Comparison Approach is performed in order to develop our opinion of the As Is Fee Simple Value of the subject. This is the typical approach used for valuation of land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.

### MARKETING AND EXPOSURE TIME

Marketing period is defined as the amount of time a property would be on the market in order to sell at a future date, at the concluded value. Exposure period is the time a property would have previously been on the market, culminating in a hypothetical sale as of the date of value. Marketing time differs from Exposure time, which is always presumed to precede the effective date of an appraisal. USPAP requires an opinion of reasonable exposure time be reported when it is a constituent of the value opinion being developed.

Exposure periods for improved sales discovered in the course of this assignment ranged from zero (not openly marketed) to 6 months. Assuming it were competently promoted and appropriately priced, a Marketing / Exposure Period of up to 12 months would be reasonably anticipated for the subject property.

# ASSUMPTIONS AND LIMITING CONDITIONS

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## EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

The opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

### Extraordinary Assumptions

- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

### Hypothetical Conditions

- N/A

## GENERAL ASSUMPTIONS

The statements of value and all conclusions shall apply as of the dates shown herein.

The valuation assumes the previously discussed legal description accurately identifies the subject property.

We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.

Unless otherwise noted herein, it is assumed that there are no adverse encroachments, zoning, or restrictive violations existing in the subject property.

We assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.

Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.

This report shall be used for its intended purpose only, and by the parties named as intended users. Possession of this report does not imply entitlement to use by other parties, or suitability for intended use(s) not stated herein. Possession of this report does not include the right of re-distribution in whole or part.

This report must be used in its entirety. Reliance on any portion of the report independent of other portions may lead the reader to erroneous conclusions regarding the property value. No portion of the report stands alone without approval from the authors.

## **ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

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Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent or approval of the authors. This applies particularly to opinions of value.

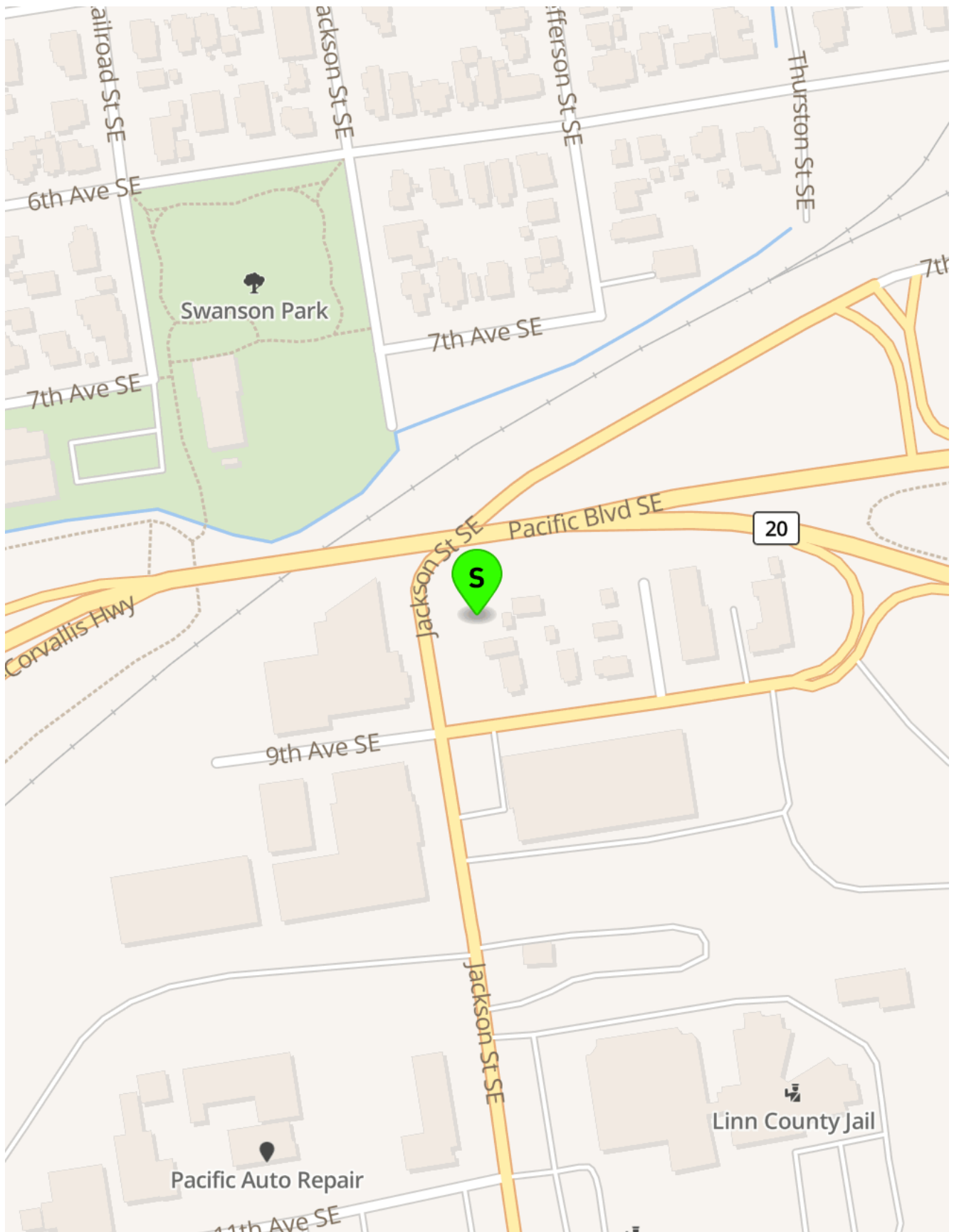
We have no present or contemplated future interest in the property that is not specifically disclosed in this report.

The valuation stated herein assumes professional management and operation of the property throughout the lifetime of the improvements, with an adequate maintenance and repair program.

We assume no responsibility for determining if the subject property complies with the Americans with Disabilities act (ADA). Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be deducted from the reported value conclusion.

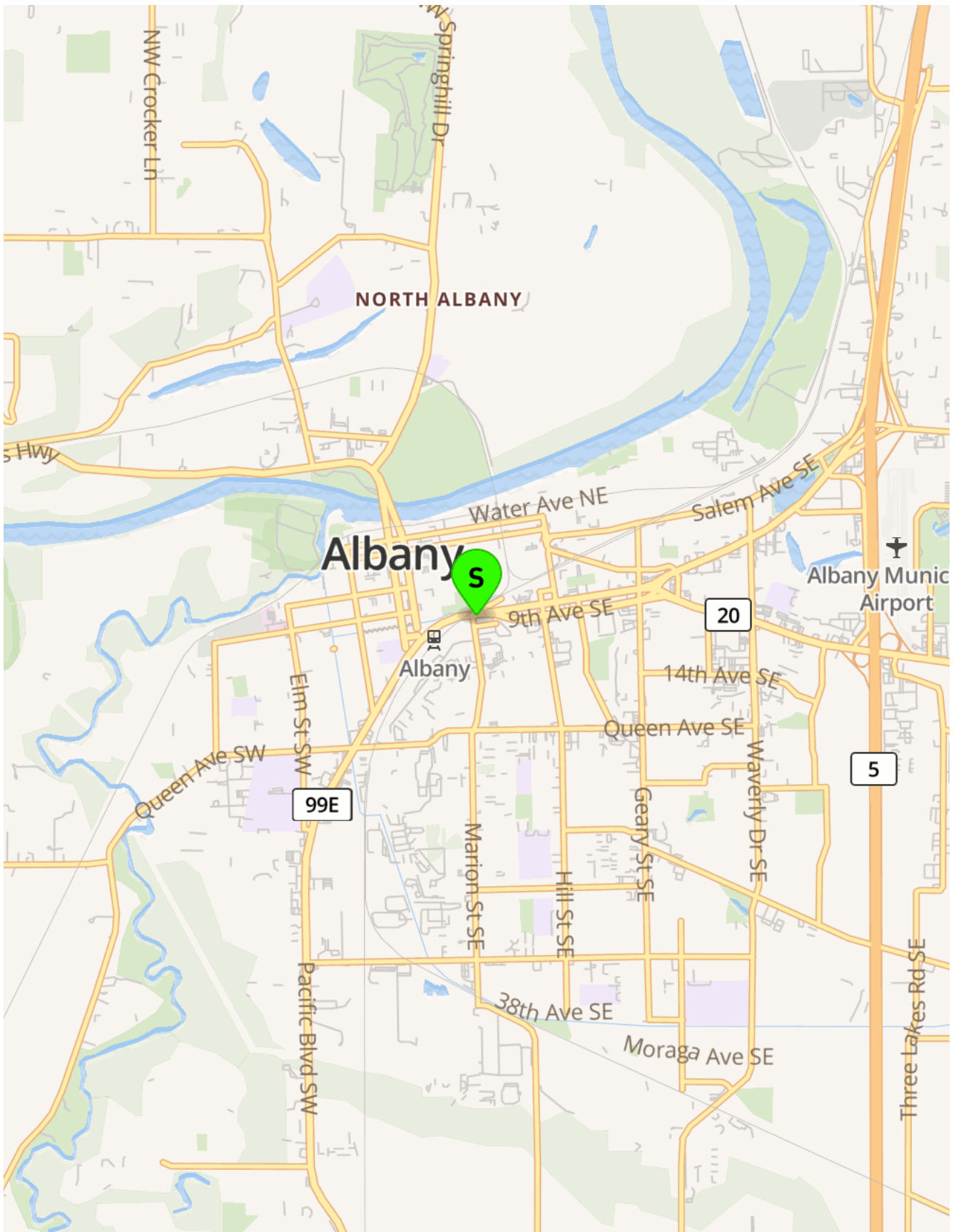
We are not qualified to detect the presence of toxic or hazardous substances or materials that may influence or be associated with the property or any adjacent properties. Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including, without limitation, hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

## NEIGHBORHOOD MAP





## REGIONAL MAP



## MARKET AREA DESCRIPTION

The Appraisal Institute defines market area as following: “The geographic or locational delineation of the market for a specific category of real estate, i.e., the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and buyers”.

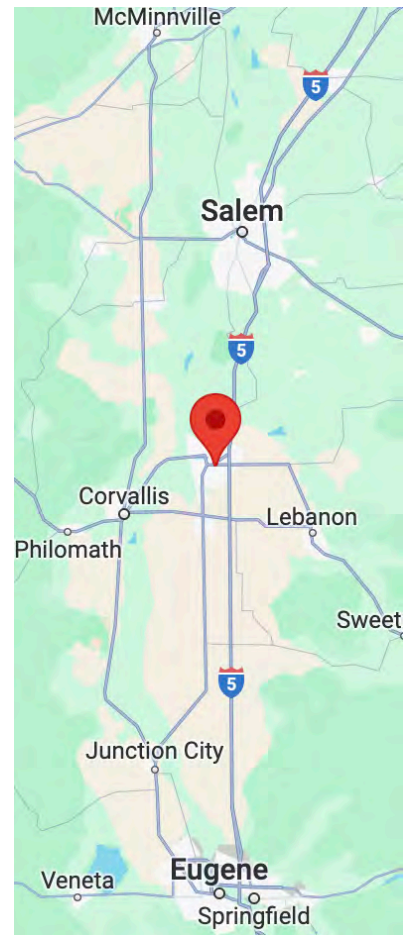
The market area analysis is presented in two sections, a regional analysis and general neighborhood analysis. The regional analysis will focus on a macro view of the subject market area and generally highlight current conditions that shape the nature of the regional economy. A more specific analysis that focuses on the subject’s neighborhood area will follow.

### Regional Analysis

This section will discuss the greater economic trends (population, income, and employment) within the subject’s region that may have an impact on the property now and in the foreseeable future. The following tables show the historic and projected growth rates for population, median household income, and unemployment within the region.

### Demographics

Oregon has experienced consistent population growth over the last decade. However, it has slowed down since 2021 due to changes in the political climate and livability in the urban centers. As a result, residents have migrated to more suburban / rural locations with more affordable real estate, which has been bolstered by more “work from home” jobs. The population trends are summarized in the table below.

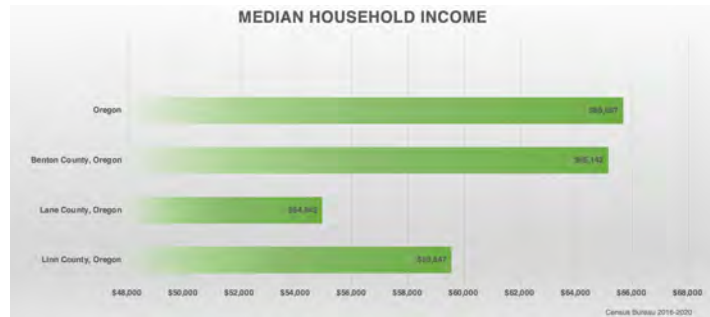


Portland State University: Center For Population Research and Census (Recent Years)

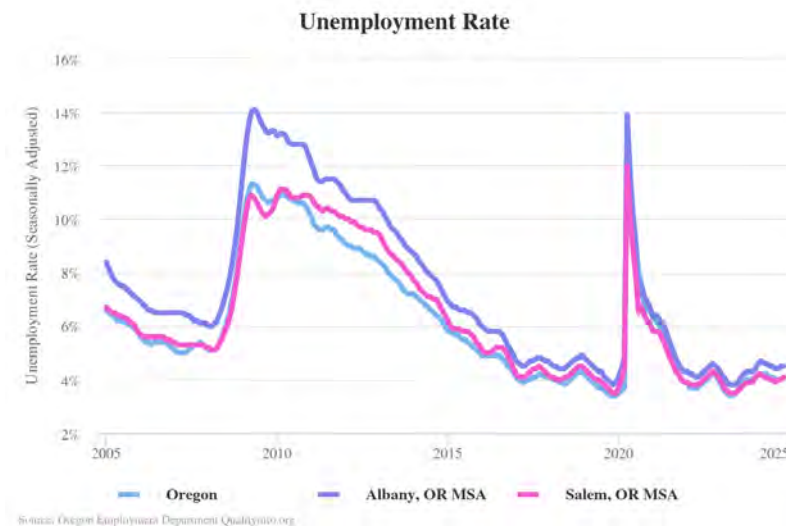
POPULATION	2023	2022	2021	2020	2019
Oregon	4,296,626	4,278,910	4,263,827	4,268,055	4,236,400
Linn County	131,984	131,194	129,839	128,610	125,048
<b>Albany</b>	<b>57,997</b>	<b>57,322</b>	<b>56,828</b>	<b>56,412</b>	<b>53,521</b>
Corvallis	61,669	59,434	59,864	59,696	58,028

## MARKET AREA ANALYSIS (Continued)

The U.S Census Bureau graph illustrates the median household income from the years 2016-2020 in Oregon and the Counties of Linn, Benton, and Lane. The median household income in the counties is all lower than the statewide median household.



The Oregon unemployment rate continues to drop since its high of nearly 13% in early 2020. The graph below shows the unemployment statistics in Oregon and the Albany MSA (equivalent to Linn County), from the years 2010-2023. The current Oregon unemployment rate is (November 2024) 4.1%. The Albany MSA, of which the subject is a part, is at 4.5%. Although low, these rates do not fully reflect the current job market in which workforce participation is at an all-time low due to the residual effect of expanded unemployment benefits and other government subsidies related to the COVID-19 response. The state as a whole, along with other counties, have followed similar trendlines.



### General Neighborhood Analysis

This section will discuss the general neighborhood and economic trends (population and income) located in the primary market area that may have an impact on the property now and in the foreseeable future.

The subject property is located in the city of Albany in Linn County, Oregon. Albany is located in the Mid-Willamette Valley along the Interstate-5 corridor approximately 20 miles south of Salem, and 40 miles north of Eugene. Albany is a small, developing city with an economy based primarily on an agriculture and food products, wood products, metals, paper and manufacturing.

Commercial development in Albany is concentrated along the main arterials, Highway 20 and Highway 99. There are some industrial uses interspersed throughout southeast Albany and on the periphery of the city near the major I-5 and Highway 30 interchanges, as well as in the subject neighborhood of south and east of Highway 99.

## **MARKET AREA ANALYSIS (Continued)**

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The Albany Municipal Airport is located between I-5 and Price Road, at the north portion of the Albany area, east of I-5. Shopping centers/ fast food services are primarily located along Highway 20 (Santiam Highway) and Highway 99 (Pacific Boulevard).

The City of Albany contains Enterprise Zones, affordable infrastructure costs, adequate working-age population, and good regional linkages. Existing infrastructure is estimated to be operating at about half of capacity. City Government offers tax reductions and permit / fee discounts for job creating industries. Overall, the potential for future development is positive.

### Access and Linkages

The site allows good local and regional linkages to housing, employment, and services. Interstate 5 is 2 miles to the northeast at the I-5/Highway 99E interchange, and the I-5/Highway 20 interchange is 1.75 miles east. To the south is Highway 34 which connects Albany with Corvallis and the Oregon coast, and central Oregon and the City of Bend to east. Highway 99E runs north-south to the west of I-5 between Albany and Eugene, connecting the subject neighborhood with the farming communities of the Willamette Valley.

### Immediate Neighborhood

The subject is in an industrial node east of the Highway 99E (Pacific Highway) corridor in Albany. Highway 99E gives the subject regional and immediate access to major arterials within the area, as described above. Surrounding development is mostly light industrial.

### Outlook and Conclusion

Neighborhoods are constantly changing and continually cycle through four phases. The four phases include growth, stability, decline, and renewal. These phases are used to evaluate the changes that occur within a neighborhood over time. During the growth phase, the neighborhood is in the beginning of development and expansion. Following the growth phase is stability. The neighborhood may still grow, but at a much slower pace. A neighborhood enters a state of decline when it can no longer compete with adjacent neighborhoods. Lastly, renewal is the period during which a neighborhood is “rediscovered” because of affordability and convenience. The subject area has been in the steady phase as an established economic node for the immediate area and regionally.

As the population and employment rates keep trending slowly upward, the subject market area is anticipated to continue improving, with appreciating property values in the long term.

Overall, there are no adverse conditions that were evident that would have a detrimental impact on the neighborhood, or the marketability of the subject property specifically. With expected population and employment growth in the region, the forecast for the subject is for continuing stable to mildly appreciating property values.





# PLAT MAP





## PROPERTY DESCRIPTION



### DESCRIPTION

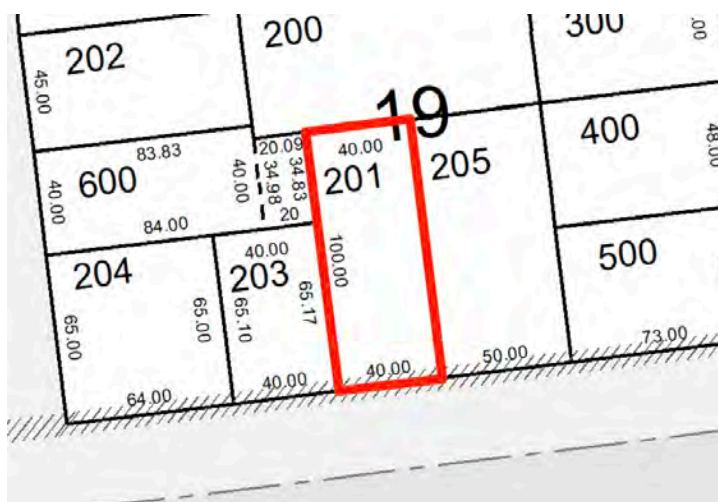
**Property Name:** City of Albany Industrial Zoned Lot  
519 9<sup>th</sup> Avenue SE  
Albany, OR 97322

### SITE DESCRIPTION

**GENERAL:** A rectangular-shaped interior site which is level and at street grade. The site is within an industrial area immediately south of Highway 99E.

**Shape:** Rectangular

**Land Area:** The site is 0.09 acres (4,000 SF) in area according to County records.

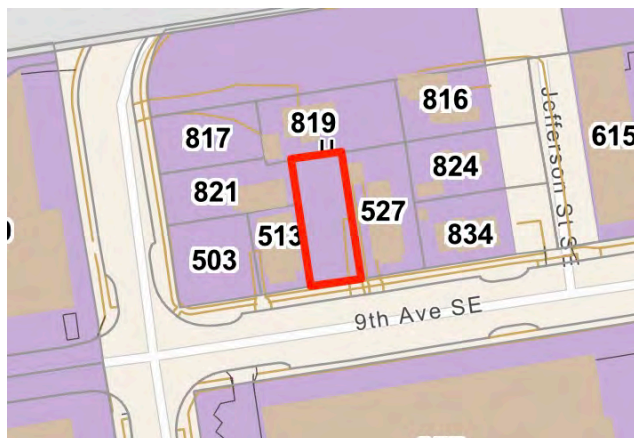


## PROPERTY DESCRIPTION (continued)

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### SITE DESCRIPTION (CONTINUED)

- Access/Exposure:** The subject has average access and exposure to 9<sup>th</sup> Avenue, a neighborhood connector which leads to Highway 99E eastbound.
- Topography:** Level at street grade.
- Utilities:** All public utilities are available.
- Site Improvements:** Grass, mature trees.
- Easements/Encroachments:** A preliminary title report was not provided to the appraiser. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject.
- Flood Plain:** FEMA FIRM panel 41043C 0213H (12/8/2016) locates the subject in zone X, outside known flood hazard zones.
- Drainage:** Nothing adverse noted during the inspection.
- Environmental:** A current environmental report was not provided. Upon property inspection and interview with representatives, no adverse factors are noted, and this appraisal assumes that none exist. Please refer also to the Assumptions and Limiting Conditions.
- Geology:** A geotechnical report was not provided. Subject soils are assumed stable and capable of supporting development commensurate with the concluded highest and best use.
- Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.



## PROPERTY DESCRIPTION (continued)

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### SITE DESCRIPTION (CONTINUED)

**Surrounding Uses:**

<b>North-</b>	SFR
<b>South-</b>	Industrial
<b>East-</b>	SFR
<b>West-</b>	SFR

**Site Summary:** The subject site has adequate and marketable buildable area, average access and traffic in a built-up light industrial area, with all public utilities available. The site has good access to Highway 99E and to I-5. The site would be desirable for development.



## SUBJECT PHOTO

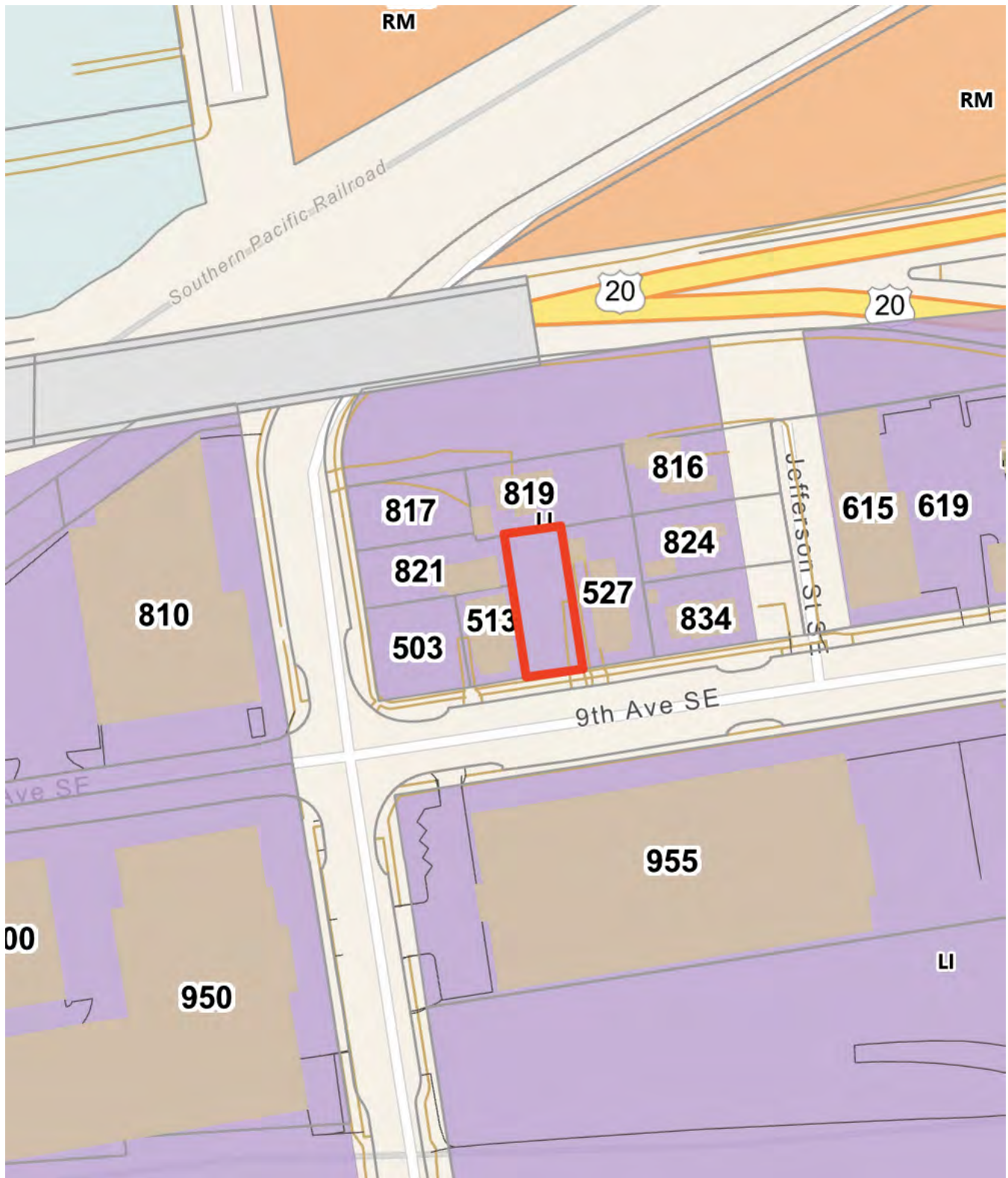


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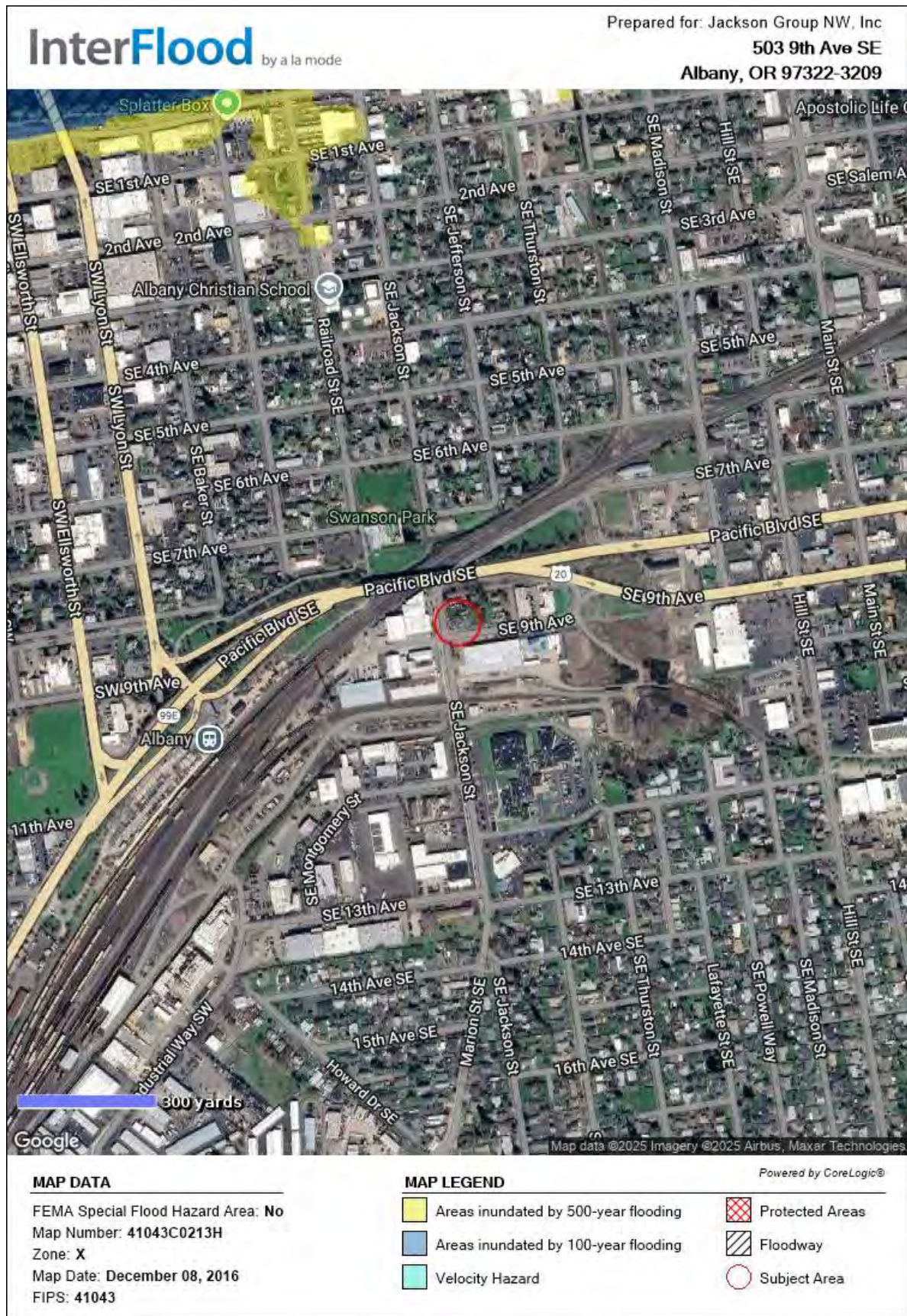


# ZONING MAP





# FLOOD MAP





## SUBJECT PROPERTY PHOTOGRAPHS

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Subject from 9th Avenue



Subject from 9th Avenue

## SUBJECT PROPERTY PHOTOGRAPHS

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9th Avenue SE, looking west. Subject is at right



9th Avenue SE, looking east. Subject is ahead at left



# HIGHEST AND BEST USE ANALYSIS

The Appraisal Institute defines the concept of highest and best use as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability." <sup>3</sup>

The highest and best use concept is based on traditional appraisal theory and reflects the attitudes of typical buyers and sellers who recognize that value is predicated on anticipation of future benefits. This theory is based on the wealth maximization of the owner. In the appraisal process, highest and best use concept typically reflects most probable use, and often relates to the most probable value of the property.

## **AS VACANT**

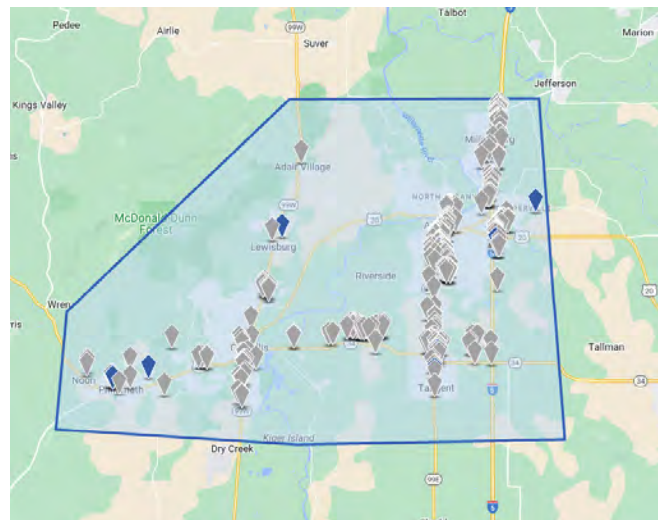
The subject site is zoned LI (Light Industrial) by the City of Albany. This zoning allows a wide variety of low-impact industrial uses, including manufacturing, warehousing, wholesaling, assembling, contracting and related uses. The site is physically functional, with marketable buildable area, access, and all utilities available. The immediate vicinity is built out, with little vacant land available.

**Physical:** The subject site is within a commercial / industrial corridor, adjacent to Highway 99E, with very good proximity to Interstate-5 via a nearby interchange. The immediate neighborhood is an industrial enclave that is well located to serve local as well as transient markets in the central Willamette Valley and beyond. The size, shape, topography, and soil conditions of the parcel are functional, with city utilities available. Extensive site frontage provides good exposure on a local collector. With functional shape and area, good location and linkages, the subject site would have good appeal for owner-occupancy. Given proximity to commercial and residential areas of Albany, a service-oriented use would seem likely.

**Legal:** The subject zoning promotes light industrial uses. The subject presents no extraordinary obstacles to development.

**Feasibility:** Employment and general economic conditions have been improving. The Albany area appears to be experiencing some growth, with recent investment apparent. The subject site as vacant is of adequate area and functional for development, and would have good appeal to an owner-user. The subject's commercial proximity indicates possible industrial/service use.

A CoStar survey of smaller industrial properties in the Albany submarket (see map at right) shows variable but low vacancy, currently at 1.3%.



<sup>3</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute

## HIGHEST AND BEST USE ANALYSIS

Rents have been increasing since 2015, but leveled off in 2021, and today are 8.9% above the five-year average. Please refer to the graph at right and the table below.

Industrial properties are relatively unaffected by changing employee location (workplace / home) dynamics. Industrial rents are forecast to continue their steady rise. Low vacancy and rising prices are indicative of demand, which favors subject development. Nonetheless, speculative development in the near-term is not supported given current economic uncertainty.



Availability	Survey	5-Year Avg
Rent Per SF	\$8.91	\$8.18
Vacancy Rate	1.3%	1.9%
Vacant SF	130,210	189,181
Availability Rate	1.9%	3.0%
Available SF	188,410	300,374
Sublet SF	8,000	64,952
Months on Market	4.9	6.1

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	-33,846	55,041
12 Mo. Leasing SF	85,613	104,444

Inventory	Survey	5-Year Avg
Existing Buildings	326	323
Existing SF	10,104,161	9,986,766
12 Mo. Const. Starts	0	47,046
Under Construction	0	31,760
12 Mo. Deliveries	2,730	52,273

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$71	\$78
Asking Price Per SF	\$104	\$97
Sales Volume (Mil.)	\$33	\$27
Cap Rate	-	7.5%

Further analysis of possible development scenarios is beyond the scope of this appraisal, which develops and reports our opinion of as is market value.

Summary / As Vacant Conclusion: The subject market area is a stable corridor. Additional speculative development is not supported at this time. Based on planning goals, market trends, and subject specifics, the highest and best use of the subject site, as if vacant, is for development of a light industrial or service project, depending on changing market conditions and specific demand from prospective owner-users and/or primary lease tenants.

# VALUATION

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## INTRODUCTION

The social, economic, governmental, and environmental forces influencing the subject property have been presented. The specific physical and location characteristics of the site and improvements have been described. The highest and best use of the subject property is concluded to be as 0.09 acres of LI zoned land.

The appraisal assignment is to develop and report our opinion of the As Is Market Value of the subject property. The final opinion of value is a fee simple value.

## VALUATION APPROACHES

The Cost Approach is typically performed in valuation of newly-built &/or special-use properties, and properties in which a greater proportion of overall value is in the land. The Income Capitalization Approach is typically the strongest indicator for properties that would trade based on income / investment potential as the primary consideration. The Sales Comparison Approach is considered most applicable by owner-users and buyers giving additional consideration to benefits of ownership, and to physical presence.

## VALUE CONCLUSION

The subject is 4,000 SF (0.09 acre) of usable industrial-zoned land, located in an industrial enclave.

The subject land value is developed by sales comparison approach, which is the sole approach used for the land. This is typical for valuation of vacant fee owned land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.

## SITE VALUATION

In this section, the market value of the subject site is developed by comparing it with light industrial use sites. The subject site is located in an established industrial neighborhood adjacent to a commercially intensive arterial, Highway 99E, within a greater growing submarket with low vacancy and rising rents.

### SITE COMPARABLE SALES ANALYSIS

When applicable, comparables are first adjusted for property rights conveyed, and non-market financing. Land sales are then adjusted to the subject according to comparable elements of zoning, location, physical characteristics, potential economic use, and market conditions.

The following adjustment grid represents a bracketing analysis that generally ranks the subject among the comparables. Adjustments are expressed as numerical percentages, to illustrate the relative weight given individual adjustments, compared with the subject property, and each other. The comparables are adjusted to the subject property consistent with standard appraisal methodology. A positive percentage adjustment indicates that a comparable is inferior to the subject regarding a specific (or set of related) characteristic(s) and is therefore adjusted upward to simulate rough parity with the subject property. Conversely, negative adjustment indicates that a comparable is superior to the subject in some regard and so is adjusted downward. The adjusted values indicate a quantifiable range of market value for the subject property, which is further refined in the narrative analysis that follows.

Comparable Land Sale Adjustment Grid

#	Comparables	Sale Price / Sale Date	Acre s(AC)	Size (SF)	\$/SF	Econ. Location	Size	Zoning / Utility	Site Imps. / Grading	Time - % annually	Market Cond.	Net Adjustment	Adjusted \$ / SF % of Unadjusted
1	92341 Booth St Junction City	\$325,000 1-Jun-2024	1.66	72,217	\$4.50	\$0.45 10.00%	\$2.25 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.08 1.85%	\$0.00 0.00%	\$2.78 61.85%	\$7.28 0.00%
2	740 Ellingson Rd SW Albany	\$240,000 26-Apr-2024	0.80	33,122	\$7.25	\$0.00 0.00%	\$1.81 25.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.16 2.15%	\$0.00 0.00%	\$1.97 27.15%	\$9.22 0.00%
3	3766 NE Steelhead Run Dr Albany	\$300,000 14-Mar-2024	1.41	61,306	\$4.89	\$0.00 0.00%	\$2.45 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.12 2.51%	\$0.00 0.00%	\$2.57 52.51%	\$7.46 0.00%
4	4380 SW Deschutes St Corvallis	\$1,016,824 17-Feb-2023	3.48	151,589	\$6.71	(\$0.67) -10.00%	\$4.03 60.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.39 5.77%	\$0.00 0.00%	\$3.74 55.77%	\$10.45 0.00%
5	93309 Prairie Rd Junction City	\$425,000 27-Jul-2022	0.79	34,376	\$12.36	\$1.24 10.00%	\$3.09 25.00%	\$0.00 0.00%	(\$3.71) -30.00%	\$0.92 7.48%	\$0.00 0.00%	\$1.54 12.48%	\$13.90 0.00%
6	1921 SW Ferry St Albany	\$170,000 12-Apr-2022	0.83	36,300	\$4.68	\$0.00 0.00%	\$1.17 25.00%	\$1.17 25.00%	\$0.00 0.00%	\$0.39 8.36%	\$0.00 0.00%	\$2.73 58.36%	\$7.41 0.00%

Sales of land with similar economic location, potential legal use(s) and functional utility were researched throughout the greater market area. Selected sales represent the most recent and comparable land sales available for analysis. Unadjusted sales range between \$4.50/SF and \$12.36/SF.

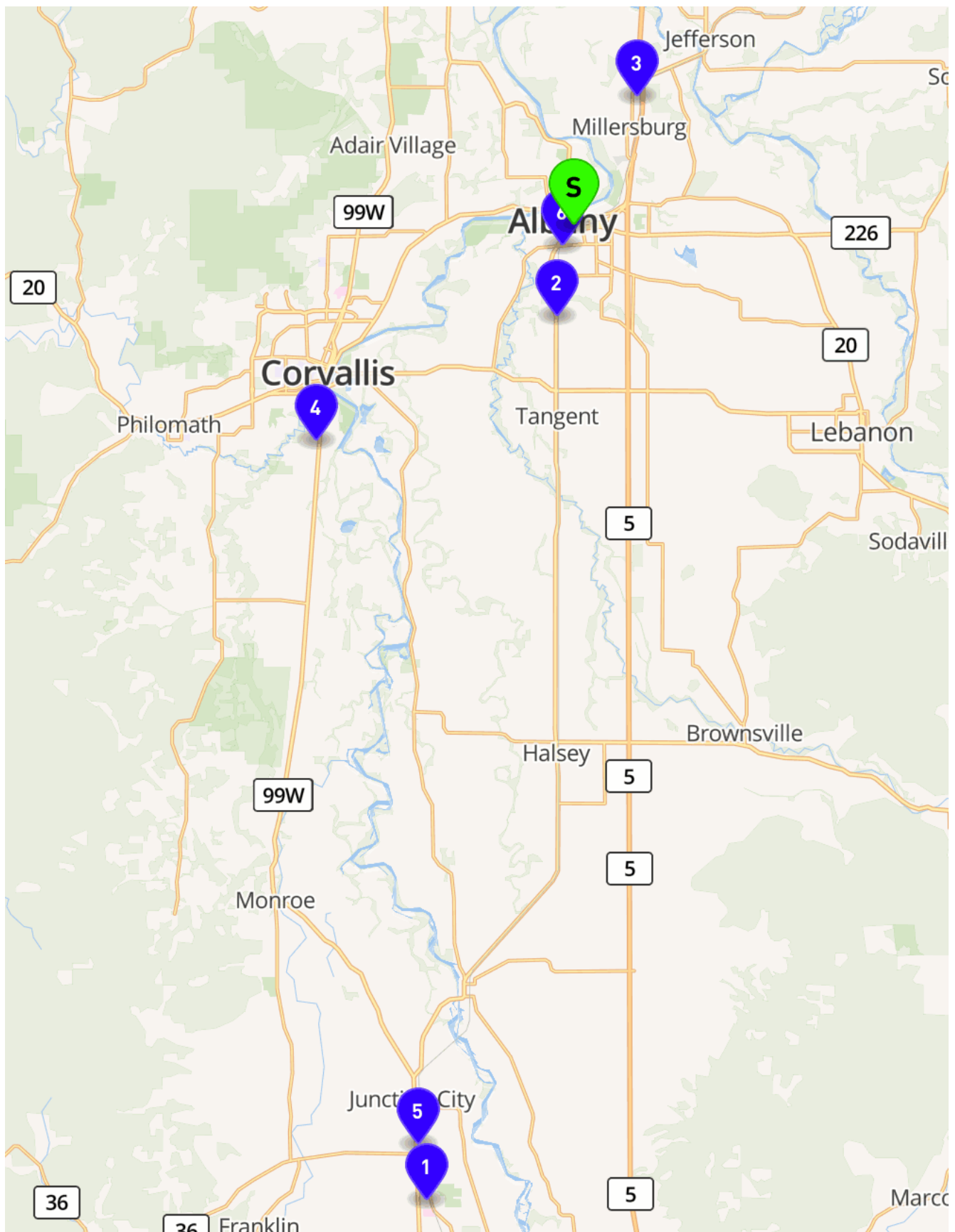


# Comparable Sale Table



Name/Location	Date of Sale	Usable Site SF	Usable Site Acres	Zoning	Utilities Available	Shape Topography	Existing Improvements	Price / SF
1 92341 Booth St Junction City, OR 97448	6/1/2024	72,217 SF	1.66 Acres	M3, Heavy Ind	None	Flag Level, at street grade	Data Center	\$4.50
2 740 Ellingson Rd SW Albany, OR 97322	4/26/2024	33,122 SF	0.80 Acres	IL	All available	Rectangular Level, at street grade	Unknown	\$7.25
3 3766 NE Steelhead Run Dr Albany, OR 97321	3/14/2024	61,306 SF	1.41 Acres	IL	All available	Rectangular Level, at street grade	Unknown	\$4.89
4 Industrial Land 3480 SW Deschutes St Corvallis, OR 97333	2/17/2023	151,589 SF	3.48 Acres	GI	Sewer, Telephone, and Water	Irregular Level, at street grade	6 Building Self Storage	\$6.71
5 93309 Prairie Rd Junction City, OR 97448	7/27/2022	34,376 SF	0.79 Acres	M2, Lt Ind.	Well, Septic	Irregular Level, at street grade	9600 SF Whse, Possible smaller 2nd bldg	\$12.36
6 1921 SW Ferry St Albany, OR 97322	4/12/2022	36,300 SF	0.83 Acres	LI	All available	Rectangular Level, at street grade	Unknown	\$4.68

## INDUSTRIAL LAND SALE MAP



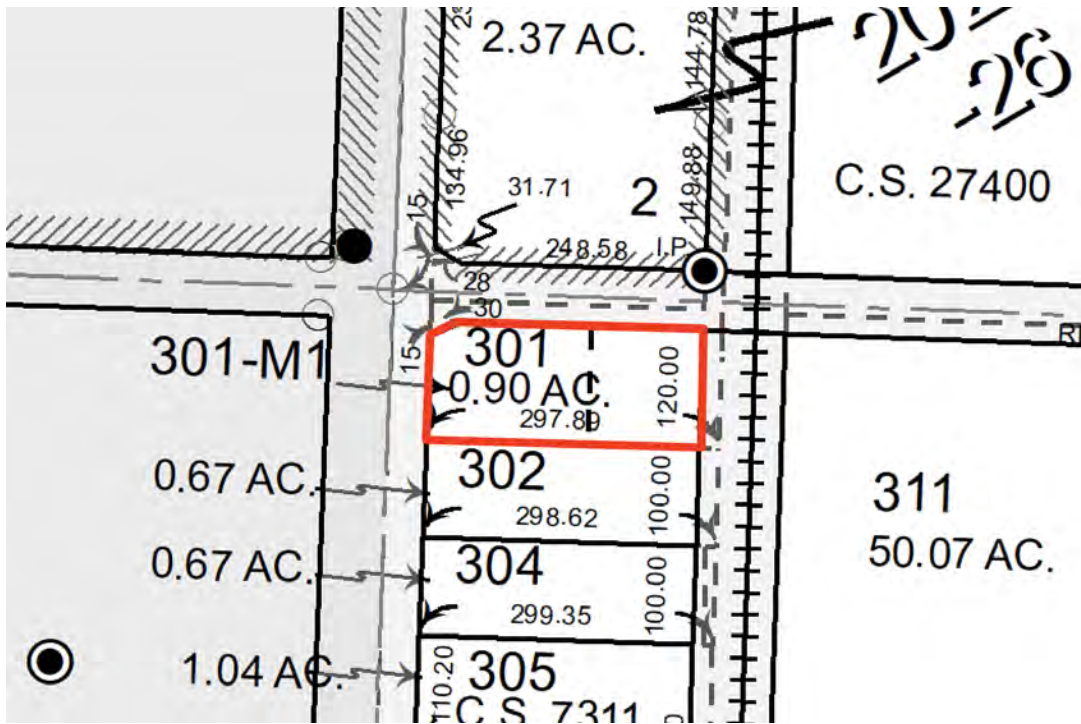
# COMPARABLE PHOTOS

Comp # 1.



92341 Booth St

Comp # 2.

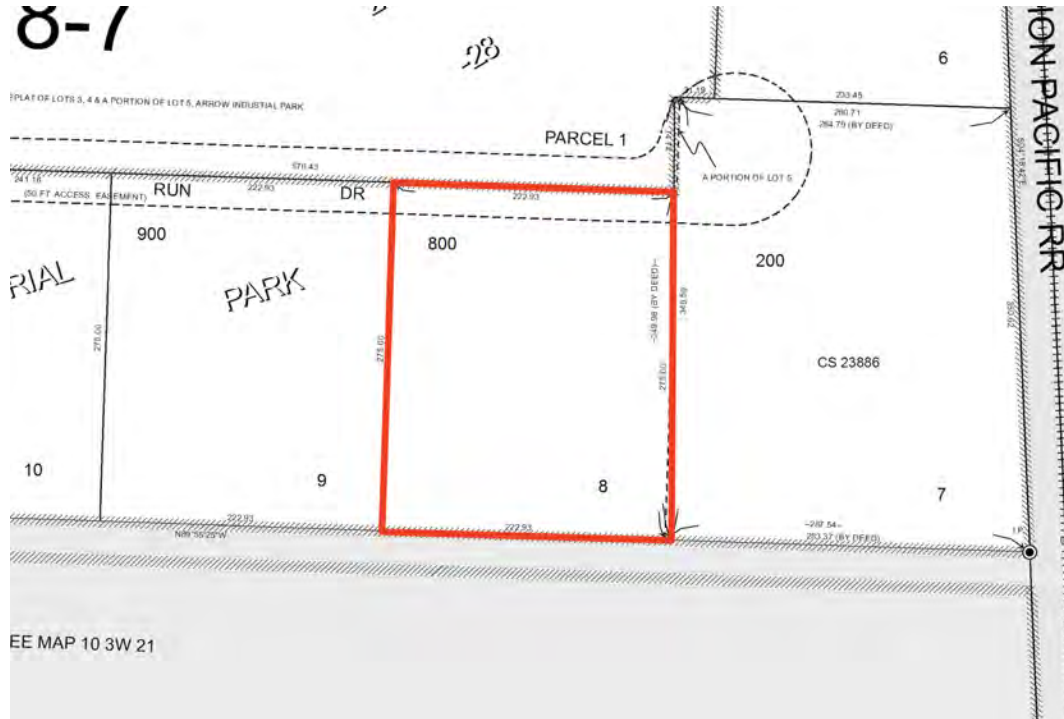


740 Ellingson Rd SW



# COMPARABLE PHOTOS (continued)

Comp # 3.



3766 NE Steelhead Run Dr

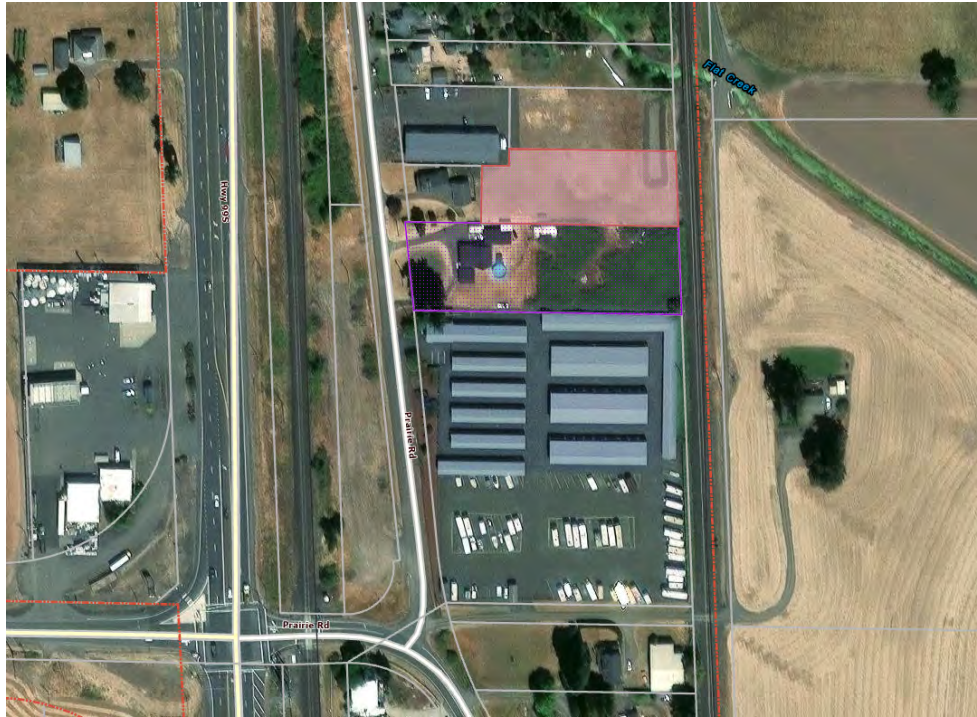
Comp # 4.



3480 SW Deschutes St

## COMPARABLE PHOTOS (continued)

Comp # 5.



93309 Prairie Rd

Comp # 6.



1921 SW Ferry St



## SITE VALUATION (continued)

Location / Access – The location & access adjustment is intended to account for differences in the immediate market areas of the comparables relative to the subject, as well as specific deficiencies that may attach to a particular comparable. Comparables 1 and 5 have mildly inferior locations and are adjusted upward 5% apiece. Comparable 4 has a superior location in Corvallis, where industrial land is scarcer, and is adjusted downward 10%. All of the other comparables have similar location and local demographics, and receive no adjustments.

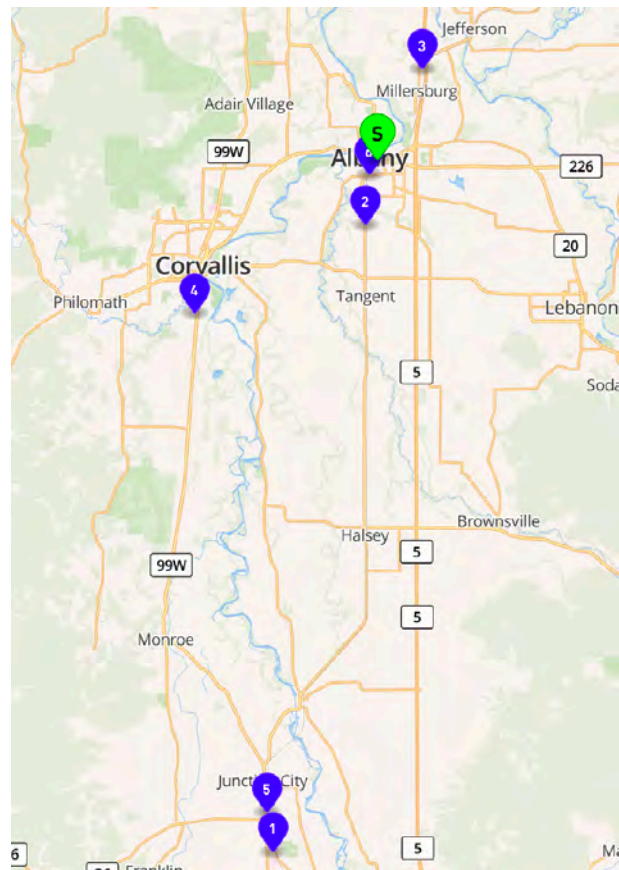
Land Area – The land area adjustment is made to reflect the relationship between size and unit values. Typically, a relatively larger area will depress the per-unit price (reduced competition for larger, more expensive parcels). All of the comparables are larger sites, and receive upward adjustments between 25% and 60%.

Zoning / Potential Use / Functional Utility – This adjustment considers differences in permitted / probable economic use of the property, from legal, physical and marketability perspectives, compared with the subject. All of the comparables have similar zoning. Comparable 6 is adjusted upward 25% for inferior utility, with a long narrow shape and very small frontage relative to overall site area. No other adjustments are made in this category.

Site Improvements – This adjustment reflects improvements to the site already made which would contribute to the proposed use. Comparable 5 had plans and approvals already in place for a 9,600 SF building, and is adjusted downward 30%. No other adjustments are made.

Time Adjustment – This adjustment reflects change in market conditions between the sale date and the date of analysis. Growth and price appreciation in the subject corridor has been slow but positive, and application of a Market Conditions / Time adjustment is indicated. Considering the residual effects of the COVID years, this adjustment is based on an average (linear) annual appreciation rate of 3% on sale prices, applied monthly to the number of months from the comparable sale date to the date of value.

Market Condition – This adjustment is intended to reflect intangible factors other than time that affect marketability, such as the availability of financing, atypical market events, and the demand for the property type. This adjustment is specific to the comparable as opposed to the time adjustment, which is a representation of the general market. None of the comparables were adjusted.



## SITE IMPROVEMENT VALUATION

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### LAND VALUE CONCLUSION

Adjusted comparables indicate a range of market value from \$7.28 to \$13.90/SF.

Considering market trends and the comparables, and also subject location and small size, a market value of \$12/SF is concluded. The indicated market value for the subject site by the sales comparison approach is  $(4,000 \text{ SF} \times \$12/\text{SF}) = \$48,000$ , rounded to: **\$50,000**.

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<b>As Is Fee Simple Value, Subject Property:</b>
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<b>January 9, 2025</b>
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<b>\$ 50,000</b>
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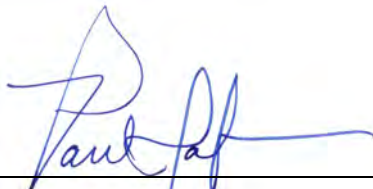
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# CERTIFICATION OF APPRAISAL

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It is hereby certified that, to the best of the appraisers' knowledge and belief, the statements of fact contained in this report are true and correct.

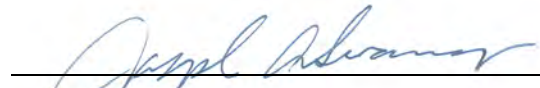
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting pre-determined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, W. Paul Jackson MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- We have performed no appraisal services, as appraiser(s) or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment.
- Joseph A. Swaney made a personal inspection of the property that is the subject of this report. W. Paul Jackson did not inspect the subject property.
- No one not named in the appraisal report provided significant real property appraisal assistance to the person(s) signing this certification.



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W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



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Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026

## ADDENDA CONTENTS

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### EXHIBIT A

Appraiser's Qualifications / Company Profile / Client Contracts

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### EXHIBIT B

N/A

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### EXHIBIT C

N/A

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### EXHIBIT D

N/A

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## **COMPANY PROFILE**

Jackson Group NW, Inc. is a commercial real estate appraisal and consulting firm located in Portland, Oregon. The goal of the company is to provide appraisal and consultation services in a professional and timely manner. We provide appraisal services for properties located in Oregon and Washington. We are dedicated to the company's goal of providing quality appraisal and consultation services on a personal basis.

We have extensive experience in appraising and providing consultation services. Our scope of experience includes multiple property types and various ownership interests from small owner occupied properties to large institutional grade investments.

**W. Paul Jackson, MAI** has worked as a commercial appraiser and consultant since 1992. Mr. Jackson has experience in appraising multiple property types. He also has experience in appraising property for estate planning and court testimony. Over the years, in addition to the standard property types, he has developed valuable experience and expertise in the valuation of Hotels/Motels, gas stations/c-stores, mobile home parks, golf courses, institutional grade government buildings and a handful of other unique property types. Mr. Jackson prides himself on his ability to provide quality professional appraisal services that are both reliable and on time. Whatever your appraisals need, be it a simple owner occupied office or a complex re-development, you can rely on Mr. Jackson to provide you with the service you need.

**Joseph B. Skilton** has worked in real estate since 1978 as a land survey fieldman and drafter, cartographer (Ticor), real estate research analyst, corporate librarian, computer analyst, and real estate publisher (Real Estate Transaction Journal). Mr. Skilton joined us in 1999 and specializes in retail, general commercial, and special-use property appraisals.

**Joseph A. Swaney** had a prior career working in the information technology field as a computer programmer and database analyst. His first introduction to real estate was as a surveyor's chainman in his teenage years. He joined Jackson Group NW, Inc. in February 2005 as an assistant to W. Paul Jackson, and became a Certified General Appraiser in 2012.

**William E. "Bill" Leavens** has worked in the real estate community since high school where he did general construction, property management and accounts receivable for Leavens Investments, a family-owned rental property business. He began appraising in January 2003, specializing in apartment appraisals. Over the past decade Bill has gained extensive experience in appraising and providing consultation services for multifamily developments as a high value employee and also as the owner of his own appraisal firm. Bill brings a high level of customer service and expertise to our firm that is of great value to our clients and us.

**Garth W. Bergeson** has worked in commercial real estate appraisal since June 2004 and is currently certified in both Oregon and Washington. Garth has a broad base of experience ranging from standard commercial real estate appraisal work to complex land valuations. Garth brings a level of expert analysis and critical thinking to our team that is reflected in his clear and logical writing style.



## **COMPANY PROFILE (CONTINUED)**

To better serve our clients, Jackson Group NW, Inc. maintains state of the art computer equipment, real estate analytical software programs, libraries of comparable and resource data, property sales, lease transactions, property data computer retrieval systems, and other necessary tools and information relevant to the real estate appraisal and consultation field.

Jackson Group NW, Inc. considers its clients to be its most valuable assets. We have served various small and large financial institutions, corporations, developers, private individuals, attorneys, accountants, and government agencies. Our appraisal experience extends to all types of commercial, industrial, residential, apartment, resort, agricultural, and special use properties.

Past appraisal assignments have been conducted to serve various functions, including mortgage financing, property purchase and disposition, lease/rent arbitration, litigation support, condemnation, property tax analysis and appeal services, and corporate planning purposes.

## **PROFESSIONAL SERVICES**

- **Valuation Reports:** The market valuation of real property interests (*fee simple, leasehold, leased fee, etc.*) in various types of properties is the primary focus of most real property appraisal assignments performed by Jackson Group NW, Inc.
- **Real Estate Consulting:** Jackson Group NW, Inc. also conducts consulting assignments relating to all property types. Providing competent, unbiased, professional guidance on diversified problems in real estate has taken on ever increasing importance as a method of reducing the risks associated with the real estate field. The firm has undertaken such tasks as discounted cash flow analysis, highest and best use analysis, market studies, subdivision analysis, and market / feasibility analysis.
- **Arbitration, Litigation Support, and Expert Witness Services:** Jackson Group NW, Inc. also offers services for real estate matters involving arbitration (*ground rent renegotiations, tenant space lease renegotiations, etc.*). We also offer litigation support services to attorneys with various real estate problems. It is our goal to provide not only offensive, but defensive strategies, in a fair and unbiased manner, in order to expose the strengths and weaknesses of a particular case. Finally, we are experienced in working with attorneys in preparation for expert witness testimony.
- **Appraisal Review Services:** An appraisal review serves the purpose of analyzing the content and conclusions of an appraisal report. Clients consider an appraisal review to be a valuable tool in determining the credibility of an appraisal report, in order to reduce the risks associated with important lending, legal, and investment decisions.
- **Property Tax Analysis and Appeal Services:** The real property tax liability for property has a direct impact on its operating/holding expenses, net income, and associated market value. Therefore, competent representation before government agencies regarding ad valorem taxes can be critical in keeping this expense item in check.

## PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI

Paul Jackson was born in Albany, Oregon and attended Oregon State University.

### EDUCATION

- Oregon State University, Bachelor Degree Economics 1991

### APPRAISAL INSTITUTE COURSES

- Analyzing Operating Expenses 2020
- 2020-21 USPAP 7-Hour Update 2020
- Forecasting Revenue 2020
- Small Hotel/Motel Valuation 2020
- Appraisal of Medical Office Buildings 2018
- Appraising Automobile Dealerships 2018
- Business Practices and Ethics 2018
- Eminent Domain and Condemnation 2018
- Data Verification Methods 2016
- Rates, Ratios: Making sense of GIMs, OARs, and DCF 2016
- Forecasting Revenue 2016
- Business Practices & Ethics 2016
- 7-hour USPAP 2016
- Business Practices & Ethics 2014
- Small Hotel/Motel Valuation 2014
- Subdivision Valuation 2014
- The DCF Model: Concepts, Issues, and Apps. 2014
- Green Buildings: Principles & Concepts 2014
- USPAP 7 hour Update 2011
- Feasibility, Market Value, Investment Timing: Option Value 2011
- Scope of Work: Expanding Your Range of Services 2011
- Appraising Convenience Stores 2011
- Site Valuation and Cost Approach 2009
- Analyzing Operating Expenses 2008
- Analyzing Distressed Real Estate 2008
- USPAP National Course Update 2008
- Using Your HP12C Financial Calculator 2006
- Feasibility, Market Value, Investment Timing: Option Value 2006
- Appraisal Report Writing Seminar 2004
- Small Hotel / Motel Valuation 2004
- GIS Applications for Real Estate Appraisal 2004
- Course 400, USPAP National Course Update 2003
- Search Strategies for Real Estate Appraisers 2001
- Valuation of Detrimental Conditions in Real Estate 2001

### PROFESSIONAL LICENSES

- Certified General Appraiser:
  - 1) State of Oregon Certificate No. C000548
  - 2) State of Washington Certificate No. 1100337

PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI

PROFESSIONAL AFFILIATIONS

- Designated Member of the Appraisal Institute (MAI) 2004

PROFESSIONAL EXPERIENCE

- Owner, Jackson Group NW, Inc., Portland, Oregon 2013 to Present
- Owner, Cassinelli Jackson LLC, Portland, Oregon 1997 to 2013
- Commercial Appraiser, Palmer Groth & Pietka, Inc., Portland, Oregon 1992 to 1997

## **AREAS OF COVERAGE**

We cover all of Oregon, SW Washington as far north as Pacific county (Aberdeen) and SE Washington as far east as Walla Walla.

We have extensive expertise and experience in appraising all types of commercial real estate, which includes the following:

- Retail – All types
- Office –All types and Classes
- Industrial - All types
- Hotels/Motels - All types
- Mobile Home Parks
- Gas Stations/ C-Stores
- Restaurants – Fast Food and Sit Down
- Multi-Family
- Camp Grounds
- RV Parks
- Subdivision Analysis
- All types of Land
- Churches
- Schools/Universities/Government Buildings
- Agricultural Property

I have been appraising commercial real estate for more than twenty-five years and my four associates have 12 to 20 years of experience in commercial real estate appraisal. There are very few property types or real estate valuation issues that we have not analyzed over the past couple of decades.

Thank You

Paul Jackson, MAI  
Jackson Group NW, Inc.





## PROFESSIONAL QUALIFICATIONS – JOE SWANEY

Joe Swaney was born in Portland, Oregon and is a graduate of Portland State University.

### EDUCATION

- Portland State University, Bachelor of Arts, Political Science 1984

### APPRAISAL INSTITUTE COURSES

- Basic Income & Capitalization Theory 2005
- Advanced Income & Capitalization Theory 2008
- Report Writing & Valuation Analysis 2008
- Site Valuation & Cost Approach 2008
- Sales Comparison Approach 2008
- Market Analysis and Highest & Best Use 2010
- Apartment Appraisal 2010
- Basic Appraisal Procedures 2012

### OTHER APPRAISAL COURSES

- Foundations of Appraisal, Portland Community College 2005
- Standards of Professional Practice (*USPAP*), Pro-Schools 2005
- Statistics, Modeling & Finance, McKissock, LP 2010
- FHA Single Family Appraisal, Career WebSchool 2010

### PROFESSIONAL LICENSES

- Certified General Appraiser  
State of Oregon Certificate No. C001088

### PROFESSIONAL EXPERIENCE

- Appraiser Jackson Group NW, Inc. Portland, Oregon 2013 to Present
- Appraisal Assistant, Cassinelli Jackson LLC, Portland, Oregon January 2005 to 2013
- Senior Programmer/Analyst, Regence Group, Portland, Oregon February 1989 to December 2004

The seal of the State of Oregon is a large, circular emblem in the background. It features an eagle with wings spread, perched on a shield. The shield contains a plow, a sheaf of wheat, and a sailing ship. The words "STATE OF OREGON" are written around the top half of the circle, and "1859" is at the bottom. The seal is surrounded by a ring of stars.

## Appraiser Certification and Licensure Board

State Certified General Appraiser

*28 hours of continuing education required*

**JOSEPH A SWANEY  
JACKSON GROUP NW, INC.  
PO BOX 1246  
CANBY, OR 97013**

License No.: C001088  
Issue Date: March 01, 2024  
Expiration Date: February 28, 2026

A blue ink signature of Chad Koch, written in a cursive style.

\_\_\_\_\_  
Chad Koch, Administrator



January 2, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin St. SW  
Albany, OR 97321  
Email: [Matthew.Ruettgers@cityofalbany.net](mailto:Matthew.Ruettgers@cityofalbany.net)  
Phone: (541) 917-7674

**RE: INDUSTRIAL ZONED LAND**  
817 Jackson St SE, Albany  
503 9<sup>th</sup> Ave SE, Albany  
519 9<sup>th</sup> Ave SE, Albany

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Dear Mr. Ruettgers,

I am pleased to submit the following proposal for the requested assignment. The terms and conditions are specified as follows:

**ASSIGNMENT SCOPE AND SPECIFICATIONS**

<b>Purpose:</b>	Estimate the market value of the above referenced property
<b>Property Rights Appraised:</b>	Fee Simple
<b>Premise / Valuation Date:</b>	Provide As Is Market Value as of the inspection date
<b>Intended Use:</b>	Determine value from which to establish a sales price
<b>Intended User:</b>	Matthew Ruettgers, City of Albany Community Development, and associated professionals
<b>Inspection:</b>	An on-site inspection of the property will be made by the appraiser
<b>Valuation Approaches:</b>	All applicable approaches as determined by the appraiser
<b>Report Type:</b>	Appraisal Report as per client requirements
<b>Appraisal Report Standards:</b>	Uniformed Standards of Professional Appraisal Practice
<b>Appraisal Fee:</b>	\$4,500
<b>Expenses:</b>	Included in the fee
<b>Retainer:</b>	0% (\$0)
<b>Payment Terms:</b>	Payment due upon delivery of the appraisal report. Please remit payments to: <b>Jackson Group NW, Inc.</b> <b>PO Box 1246</b> <b>Canby, OR 97013</b>
<b>Acceptance Date:</b>	This contract proposal is valid 5 business days from the date of this letter
<b>Start Date:</b>	Job commencement begins upon receipt of the signed contract and all requested information.
<b>Delivery Date:</b>	January 27, 2025 assuming prompt receipt of the contract, retainer, and all requested information.

**Report:**

The finished appraisals, one for each property, will be delivered via email to the client email in PDF format. Hard copies can be provided upon request for \$175 per copy.

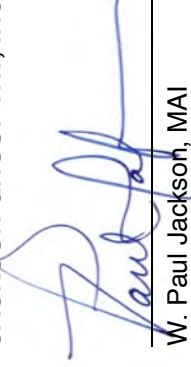
If additional consultation is necessary after the appraisal is completed, the client will be billed at an hourly rate of \$350 per hour for all time expended. If the assignment is canceled for any reason prior to completion, the client will be billed at an hourly rate of \$350 per hour for all time expended prior to cancellation.

If the appraiser is required to give testimony for any reason, or at any time in connection with this assignment, then the client agrees to assume any reasonable professional fees and related costs, including preparation time. Trial preparation and consultation is billed at \$350 per hour. Court testimony time is billed at \$450 per hour.

Acceptance of this agreement by yourself, or a duly authorized agent, should be indicated by signing and mailing/delivering an authorized copy of this agreement to my attention. I look forward to working with you on this assignment, and should you have any questions on any aspect of this letter, please do not hesitate to call.

Sincerely,

**JACKSON GROUP NW, INC.**



W. Paul Jackson, MAI  
Oregon Certified General Appraiser C000548  
Washington Certified General Appraiser 1100337

Phone : 503-358-7340

Email : [paul@jacksongroupnw.com](mailto:paul@jacksongroupnw.com)

**ACCEPTANCE:**

  
Client Signature

1/2/2025  
Date

**Matthew Ruetters**

Client Name (Printed)

541-917-7674

Phone #

[matthew.ruetters@albanyoregon.gov](mailto:matthew.ruetters@albanyoregon.gov)

Email

**same as above**

Property Contact Name (Printed)

Phone #

Email





**APPRAISAL REPORT**

ALBANY INDUSTRIAL LAND  
817 Jackson Street SE  
Albany, OR 97322

PREPARED FOR:

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

PREPARED BY:

Joseph A. Swaney  
W. Paul Jackson, MAI  
**JACKSON GROUP NW** INC.  
PO Box 1246  
Canby, OR 97013  
(503) 358-7340

[www.jacksongroupnw.com](http://www.jacksongroupnw.com)





January 21, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin Street SW  
Albany, OR 97321

**RE: ALBANY INDUSTRIAL LAND**  
817 Jackson Street SE  
Albany, OR 97322

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Dear Mr. Ruettgers,

At your request, we have completed an appraisal of the property specified above, which is presented in the following appraisal report. The subject property is a 0.08 acre site located on one tax lot, currently vacant. We have appraised the property using generally accepted appraisal principles and practices. The following appraisal complies with:

- ◆ The Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation, and
- ◆ The Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, and

This appraisal uses standard recognized appraisal methodology to develop our opinion of the market value of the subject property. This appraisal is presented in report format compliant with USPAP Standard 2. As such, it summarizes the data, reasoning, and analyses used to develop our opinion(s) of value. Supporting documentation concerning the data, reasoning, and analysis is retained in our files. The depth of discussion contained in this report is specific to the needs of the client.

The client and intended user(s), intended use, type and definition of value, effective date, subject property, and assignment conditions of this appraisal are stated &/or described in the report. These factors limit the context of the appraisal, and the legitimate uses of this report. We are not responsible for any other use of this report, or any use by parties not named. Please refer to the Scope of Work, and Assumptions and Limiting Conditions sections for important information.

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value.

Based on our investigation and analysis of available information, our final opinion of market value of the subject property are:

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value:	January 9, 2025	\$ 45,000

The value opinion(s) concluded in this appraisal do not include furnishings, fixtures, equipment, personal property, or intangible items. The valuation is subject to the Assumptions and Limiting Conditions section of the following report, as well as the explanatory comments within the report, which should be referenced for a complete understanding of the value conclusion(s).

The opinion(s) of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

Extraordinary Assumptions

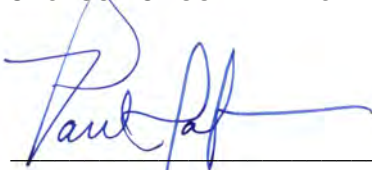
- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

Hypothetical Conditions

- N/A

Sincerely,

**JACKSON GROUP NW INC.**



W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026

# TABLE OF CONTENTS

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Letter of Transmittal

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## **INTRODUCTION** **PAGE**

Appraisal Overview.....	1
Appraisal Information.....	3
Assumptions and Limiting Conditions.....	8

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## **DESCRIPTION**

Market Area Description & Maps.....	10
Site & Improvement Description .....	17
Photos & Exhibits .....	20
Highest and Best Use Analysis .....	26

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## **VALUATION**

Valuation Introduction.....	28
Site Valuation – Sales Comparison Approach.....	29
Certification of Appraisal.....	37

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## **ADDENDA**

- Exhibit A: Professional Qualifications and Company Profile – Jackson Group NW, Inc.
- Exhibit B: Appraisal Engagement Letter & Client Information

# APPRAISAL OVERVIEW

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## **DESCRIPTION**

**Property Name:** City of Albany Industrial Land

**Street Address:** 817 Jackson Street SE  
Albany, OR 97322

**Neighborhood Character:** The subject property is located in an industrial area adjacent to a regional connector, Highway 99E, in Albany, Oregon. Also known as Pacific Highway, Highway 99E is the primary commercial route in Albany, and connects the city to other communities in the Willamette Valley, most notably Corvallis and Eugene. I-5, two miles east of the subject, is the primary regional connector through the Willamette Valley. Off the arterials, uses turn to residential, with pockets of industrial development such as the subject neighborhood. No adverse environmental influences are noted that would negatively affect the subject property or neighborhood. The long-term outlook for the neighborhood is for continued desirability and positive property values.

**Site Area:** The site area is 0.08 acres (3,600 SF).

**Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.

**General Site Conditions:** A rectangular-shaped interior site, level and at street grade. The site is within an established industrial node within the Highway 99E corridor.

## APPRAISAL OVERVIEW (continued)

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**Improvements:** The subject site has been graveled, and is improved with a 6' chain link fence on all sides.

**Tenancy:** The site is currently unoccupied.

**Access/Exposure:** The subject has average access and exposure to Jackson Street, a neighborhood collector street.

### HIGHEST AND BEST USE

**"As Vacant":** Small industrial building commensurate with the size of the lot.

### VALUATION SUMMARY

**Interest(s) Appraised:** Fee Simple Interest. The subject has no tenant or leasing in place. Therefore, fee simple analysis applies.

TYPE OF VALUE	DATE OF VALUE	OPINION OF VALUE
As Is Fee Simple Market Value (rounded):	January 9, 2025	\$ 45,000



# APPRAISAL INFORMATION

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## TRANSFERABILITY OF APPRAISAL

If this report is transferred/assigned to another party (user), and/or is reviewed and there are questions or additional work necessary to meet any subsequent guidelines/requirements, the appraiser may charge appropriate fees for any additional work performed. Our current billing rate is \$350/hour.

## LEGAL/TAX DESCRIPTION

No Investigation of title was provided. It appears that the corresponding County plat map matches property boundaries as apparent on the ground at the time of inspection. County assessment data is presented below.

Linn County Parcel # / Map & Tax Lot	Land	RMV Impr.	Total	Taxable Value	2024-25 Taxes
87037 / 11S 3W 07 AB 202	\$28,260	\$0	\$28,260	\$0	\$0

## CLIENT / INTENDED USER(S)

Jackson Group NW, Inc. has been retained by City of Albany, which is the client and intended user of this report.

## INTENDED USE

To provide the client and intended user with an opinion of market value, for use in pricing for marketing purposes.

## TYPE AND DEFINITION OF VALUE

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a Fee Simple value.

## EFFECTIVE DATE(S) OF VALUE

As Is Fee Simple Market Value:

January 9, 2025

## SUBJECT PROPERTY INSPECTION

Date:

January 9, 2025

Property Representative:

None present

Appraiser(s):

Joseph Swaney

OR Certified General Appraiser

### **MARKET VALUE<sup>1</sup>**

Market value is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined. A current economic definition agreed upon by federal financial institutions of the United States of America is:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a Sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised, and acting in what they consider their best interests;
- 3) A reasonable time is allowed for exposure in the open market;
- 4) Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or Sale concessions granted by anyone associated with the sale.

Substitution of another currency for United States dollars in the fourth condition is appropriate in countries or in reports addressed to clients from other countries.

### **DEFINITIONS<sup>2</sup>**

#### **As Is Value**

The value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.

#### **Prospective Value**

A forecast of the value expected at a specified future date. A prospective value estimate is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

#### **Retrospective Value**

A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., “retrospective market value opinion.”

#### **Stabilized Value**

A value estimate that excludes from consideration any transitory condition, e.g., a bonus or premium for material, the abnormal inefficiency of labor, the cost of delay, or unfinished repairs.

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<sup>1</sup> Uniform Standards of Professional Appraisal Practice, 2024, The Appraisal Foundation

<sup>2</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute

### **Fee Simple Estate**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

### **Leased Fee Estate**

An ownership interest held by a landlord with the rights of use and occupancy conveyed by lease to others. The rights of lessor (leased fee owner) and the leased fee are specified by contract terms contained within the lease.

### **Leasehold Estate**

An ownership interest held by the lessee (tenant or renter) through a lease conveying the rights of use and occupancy for a stated term under certain conditions.

## **SUBJECT HISTORY OF OWNERSHIP INFORMATION**

A preliminary title report was not provided. Public records show title to the subject vested in the City of Albany, which has owned the subject for many years. The subject property is not listed for sale or for lease. We found no other conveyances of fee title in the three years prior to the date of value.

## **SCOPE OF THE APPRAISAL**

The appraisal assignment is to develop and report our opinion of the As Is Fee Simple Value of the subject property. The final opinion of value is a fee simple value. All applicable appraisal procedures were employed, including:

- Definition of pertinent issues related to the appraisal assignment
- Inspection of the subject property
- Site and improvement analyses
- Highest and best use analysis (as vacant, and as improved)
- Market data selection, verification, and analysis
- Use of the approaches to value and valuation
- The reconciliation of value indications and final value estimate

Joseph Swaney conducted an on-site inspection of the subject property, which included walking through the subject, photographing the interior and exterior. Mr. Swaney performed the appraisal and authored the report. W. Paul Jackson, MAI, did not inspect the subject property but is familiar with the market area, has reviewed this report and concurs with the analysis and conclusions herein. Building areas are based on the county sketch which was verified by spot check measurements by the appraiser. Land area is based on plat map and county data.

Property representatives were interviewed about the physical features of the property including the condition, function, efficiency, and operation of the property, and also the history of ownership and marketing activity for the property. Government officials, contractors, developers, architects, engineers, attorneys, and other professionals and/or consultants were interviewed and/or referenced when applicable in the appraisal. Government zoning and planning documents, legally binding documents (purchase, option, or development agreements, leases, easements, or encumbrances), and professional and/or consultant reports are included and/or referenced where appropriate in the appraisal.

## APPRAISAL INFORMATION (continued)

The collection, verification and analysis of comparables are integral to the valuation analysis. This information was collected from sources deemed reliable and confirmed by interviewing knowledgeable market participants (buyers, sellers, property managers, tenants, brokers, consultants, developers, building owners, and/or investors) and exterior viewing of the properties. One or more knowledgeable parties to the transactions were interviewed in the verification and confirmation of the comparable data. The most current data (typically up to one year prior to the valuation date) was relied upon with primary emphasis on comparables located in the immediate market area when possible. When there was a lack of comparable information in the immediate market area, parameters were broadened to include similar competing markets and more dated transactions of properties in the immediate market area.

The following primary sources were contacted and contributed significant assistance in the appraisal process.

Primary Sources	Summary of Significant Assistance Provided
Matthew Ruettgers, City of Albany Community Development	Appraisal Engagement / Subject Information
Knowledgeable Market Participants	Comparable market data
Jackson Group NW, Inc. Database	Comparable market data
Linn County / City of Albany	Plat Map, Assessment, Zoning, Land Use Patterns, Proposed Projects, Legal Subject Land Use(s)

The following secondary data sources were relied upon in the appraisal process.

Secondary Data Sources	Summary of Significant Information Provided
Loop Net / CoStar Comps / RMLS	Comparable sales and listings
Local Government, Market Participants, Publications	Comparable Leads, Market Trends

All information necessary to competently complete this appraisal assignment was made available to the appraisers, **except:**

- Preliminary Title Report
- Environmental Investigation / Assessment Report
- Building Inspection Report
- Geotechnical Report

### VALUATION METHODOLOGY

The Sales Comparison Approach is performed in order to develop our opinion of the As Is Fee Simple Value of the subject. This is the typical approach used for valuation of land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.

### **MARKETING AND EXPOSURE TIME**

Marketing period is defined as the amount of time a property would be on the market in order to sell at a future date, at the concluded value. Exposure period is the time a property would have previously been on the market, culminating in a hypothetical sale as of the date of value. Marketing time differs from Exposure time, which is always presumed to precede the effective date of an appraisal. USPAP requires an opinion of reasonable exposure time be reported when it is a constituent of the value opinion being developed.

Exposure periods for improved sales discovered in the course of this assignment ranged from zero (not openly marketed) to 6 months. Assuming it were competently promoted and appropriately priced, a Marketing / Exposure Period of up to 12 months would be reasonably anticipated for the subject property.

# ASSUMPTIONS AND LIMITING CONDITIONS

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## EXTRAORDINARY ASSUMPTIONS AND/OR HYPOTHETICAL CONDITIONS

The opinions of value reported herein are contingent upon extraordinary assumptions and/or hypothetical conditions ('EA/HC'). EA/HC not met could have a negative impact on the value conclusions and could invalidate the entire appraisal. The appraisal report is subject to the following EA/HC:

### Extraordinary Assumptions

- A Preliminary Title Report was not provided to the appraisers. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject property.
- A Professional Inspection Report was not provided to the appraisers. It is assumed that the subject is free and clear of any adverse conditions or defects, visible or otherwise, that would adversely affect the value of the subject.
- A Level 1 Environmental Report was not provided to the appraisers during the course of this analysis. It is assumed that the site is free and clear of any adverse conditions.
- A Geotechnical Report was not provided to the appraiser. This appraisal assumes that the subject soils are stable and will support the subject development.

### Hypothetical Conditions

- N/A

## GENERAL ASSUMPTIONS

The statements of value and all conclusions shall apply as of the dates shown herein.

The valuation assumes the previously discussed legal description accurately identifies the subject property.

We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.

Unless otherwise noted herein, it is assumed that there are no adverse encroachments, zoning, or restrictive violations existing in the subject property.

We assume no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein.

Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.

This report shall be used for its intended purpose only, and by the parties named as intended users. Possession of this report does not imply entitlement to use by other parties, or suitability for intended use(s) not stated herein. Possession of this report does not include the right of re-distribution in whole or part.

This report must be used in its entirety. Reliance on any portion of the report independent of other portions may lead the reader to erroneous conclusions regarding the property value. No portion of the report stands alone without approval from the authors.



## **ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

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Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media without the written consent or approval of the authors. This applies particularly to opinions of value.

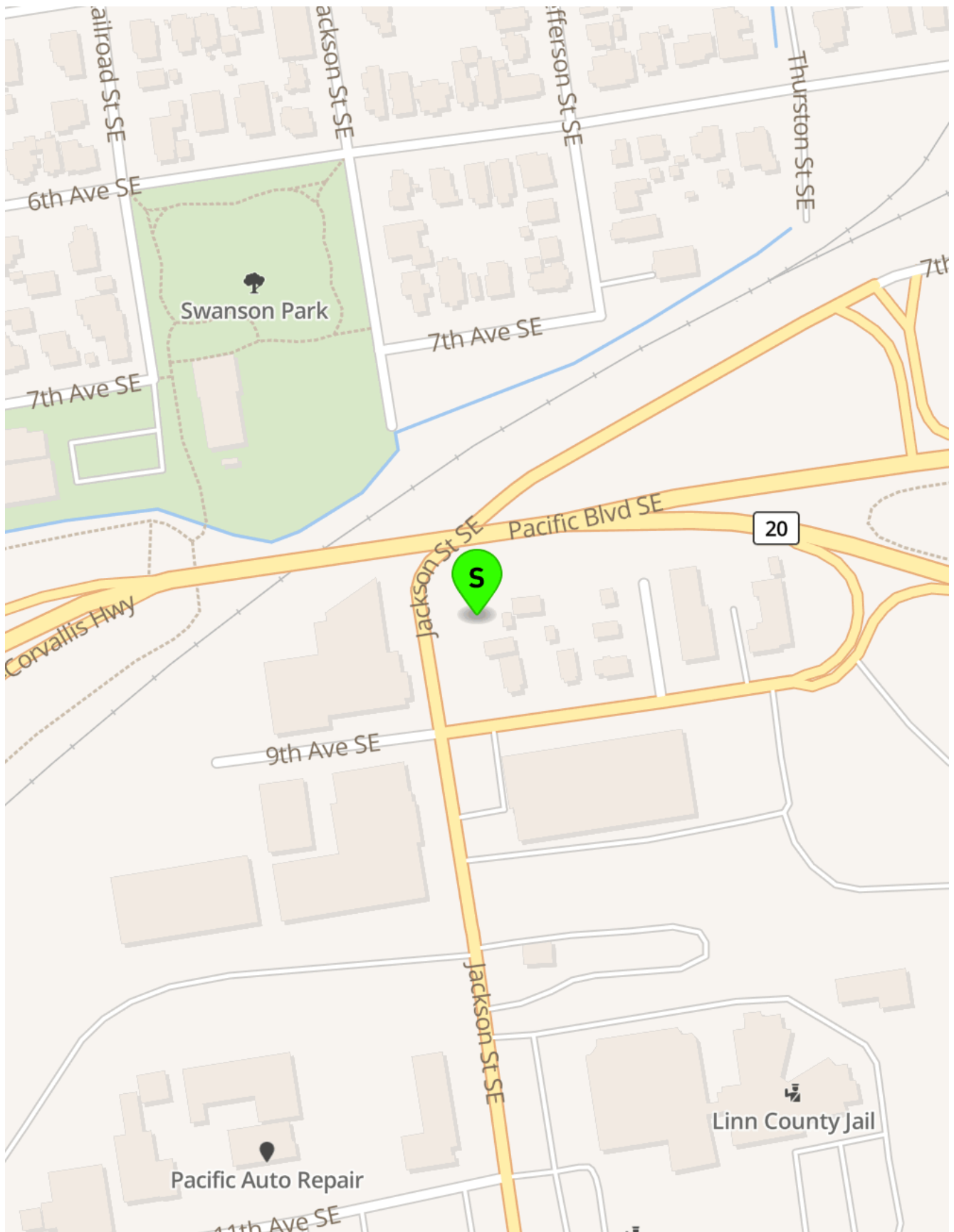
We have no present or contemplated future interest in the property that is not specifically disclosed in this report.

The valuation stated herein assumes professional management and operation of the property throughout the lifetime of the improvements, with an adequate maintenance and repair program.

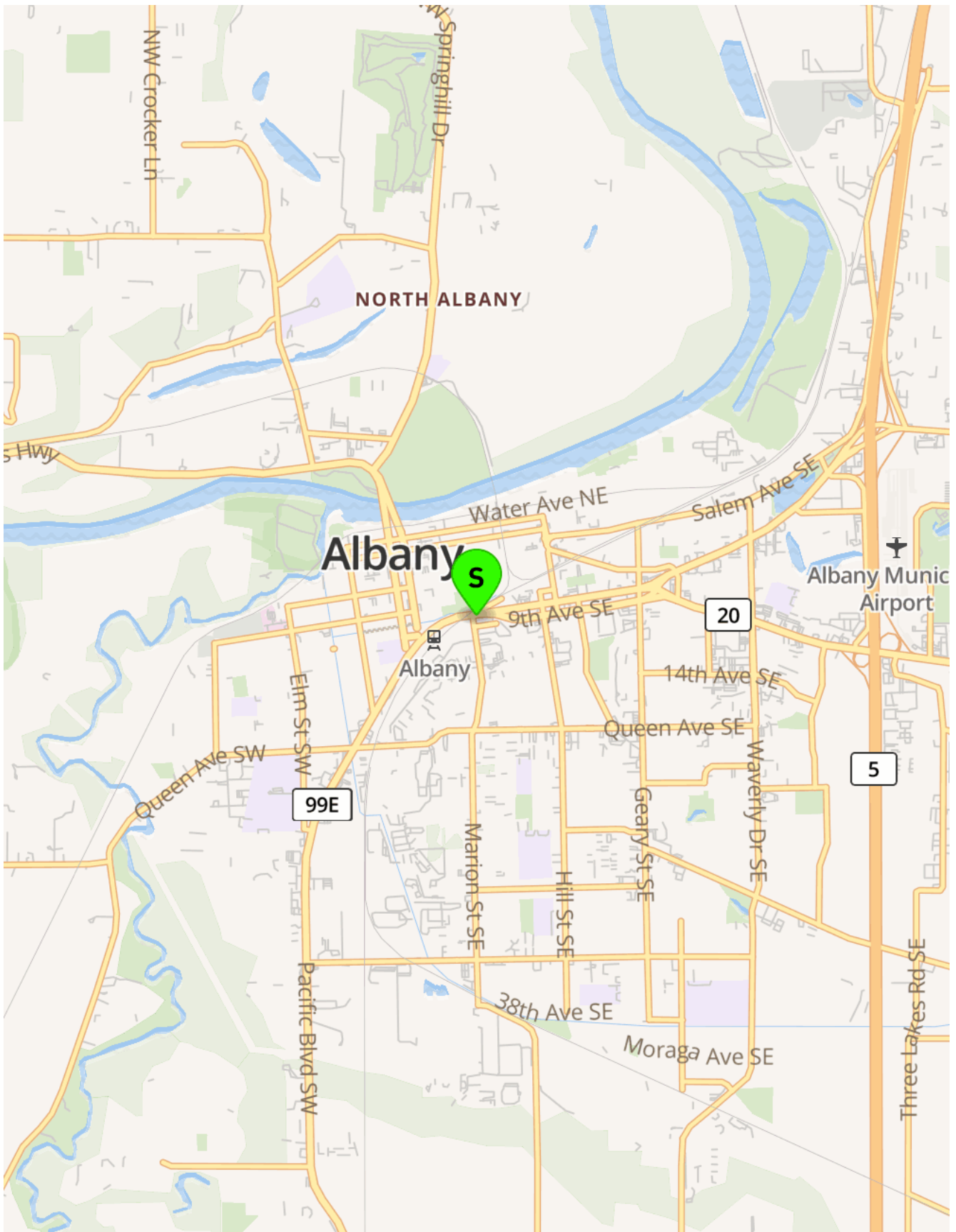
We assume no responsibility for determining if the subject property complies with the Americans with Disabilities act (ADA). Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be deducted from the reported value conclusion.

We are not qualified to detect the presence of toxic or hazardous substances or materials that may influence or be associated with the property or any adjacent properties. Jackson Group NW, Inc. shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including, without limitation, hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.

## NEIGHBORHOOD MAP



## REGIONAL MAP



## MARKET AREA DESCRIPTION

The Appraisal Institute defines market area as following: “The geographic or locational delineation of the market for a specific category of real estate, i.e., the area in which alternative, similar properties effectively compete with the subject property in the minds of probable, potential purchasers and buyers”.

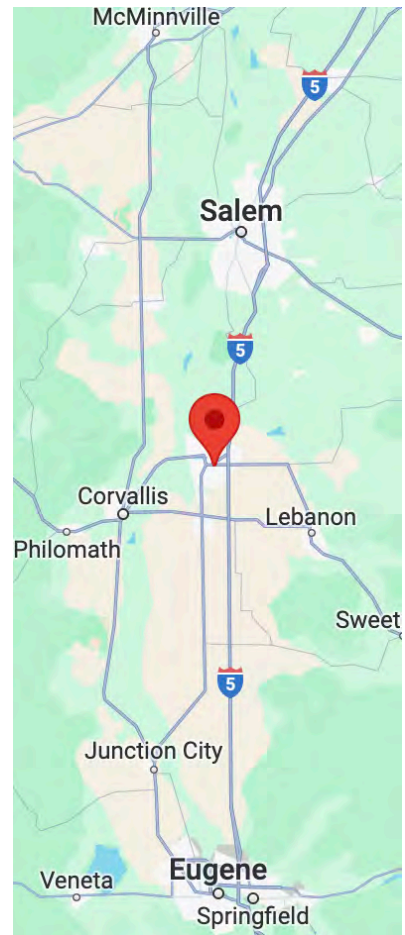
The market area analysis is presented in two sections, a regional analysis and general neighborhood analysis. The regional analysis will focus on a macro view of the subject market area and generally highlight current conditions that shape the nature of the regional economy. A more specific analysis that focuses on the subject’s neighborhood area will follow.

### Regional Analysis

This section will discuss the greater economic trends (population, income, and employment) within the subject’s region that may have an impact on the property now and in the foreseeable future. The following tables show the historic and projected growth rates for population, median household income, and unemployment within the region.

### Demographics

Oregon has experienced consistent population growth over the last decade. However, it has slowed down since 2021 due to changes in the political climate and livability in the urban centers. As a result, residents have migrated to more suburban / rural locations with more affordable real estate, which has been bolstered by more “work from home” jobs. The population trends are summarized in the table below.

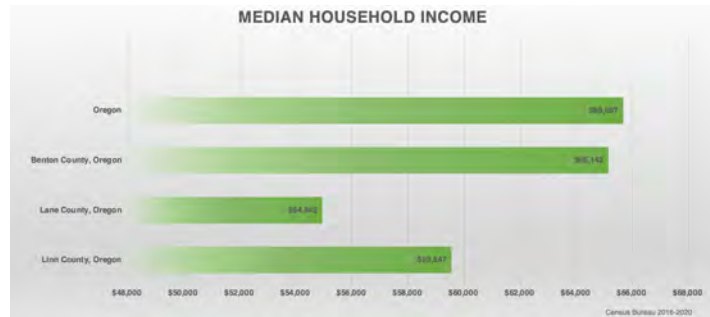


Portland State University: Center For Population Research and Census (Recent Years)

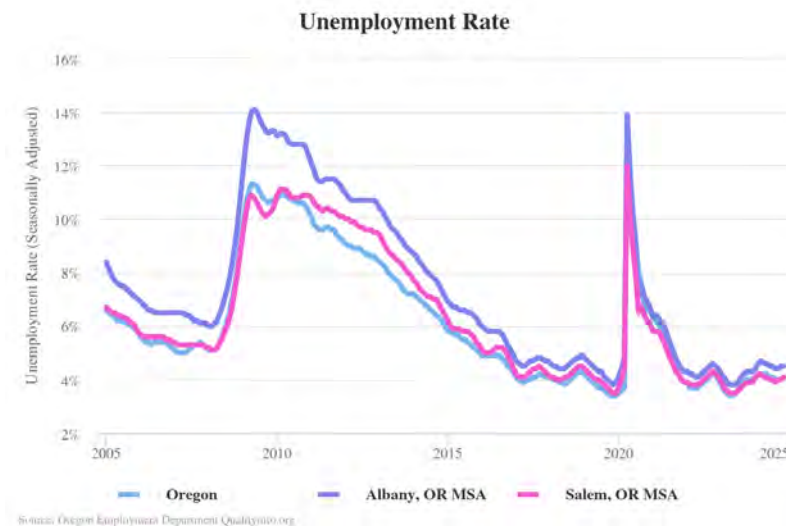
POPULATION	2023	2022	2021	2020	2019
Oregon	4,296,626	4,278,910	4,263,827	4,268,055	4,236,400
Linn County	131,984	131,194	129,839	128,610	125,048
<b>Albany</b>	<b>57,997</b>	<b>57,322</b>	<b>56,828</b>	<b>56,412</b>	<b>53,521</b>
Corvallis	61,669	59,434	59,864	59,696	58,028

## MARKET AREA ANALYSIS (Continued)

The U.S Census Bureau graph illustrates the median household income from the years 2016-2020 in Oregon and the Counties of Linn, Benton, and Lane. The median household income in the counties is all lower than the statewide median household.



The Oregon unemployment rate continues to drop since its high of nearly 13% in early 2020. The graph below shows the unemployment statistics in Oregon and the Albany MSA (equivalent to Linn County), from the years 2010-2023. The current Oregon unemployment rate is (November 2024) 4.1%. The Albany MSA, of which the subject is a part, is at 4.5%. Although low, these rates do not fully reflect the current job market in which workforce participation is at an all-time low due to the residual effect of expanded unemployment benefits and other government subsidies related to the COVID-19 response. The state as a whole, along with other counties, have followed similar trendlines.



### General Neighborhood Analysis

This section will discuss the general neighborhood and economic trends (population and income) located in the primary market area that may have an impact on the property now and in the foreseeable future.

The subject property is located in the city of Albany in Linn County, Oregon. Albany is located in the Mid-Willamette Valley along the Interstate-5 corridor approximately 20 miles south of Salem, and 40 miles north of Eugene. Albany is a small, developing city with an economy based primarily on an agriculture and food products, wood products, metals, paper and manufacturing.

Commercial development in Albany is concentrated along the main arterials, Highway 20 and Highway 99. There are some industrial uses interspersed throughout southeast Albany and on the periphery of the city near the major I-5 and Highway 30 interchanges, as well as in the subject neighborhood of south and east of Highway 99.

## **MARKET AREA ANALYSIS (Continued)**

---

The Albany Municipal Airport is located between I-5 and Price Road, at the north portion of the Albany area, east of I-5. Shopping centers/ fast food services are primarily located along Highway 20 (Santiam Highway) and Highway 99 (Pacific Boulevard).

The City of Albany contains Enterprise Zones, affordable infrastructure costs, adequate working-age population, and good regional linkages. Existing infrastructure is estimated to be operating at about half of capacity. City Government offers tax reductions and permit / fee discounts for job creating industries. Overall, the potential for future development is positive.

### Access and Linkages

The site allows good local and regional linkages to housing, employment, and services. Interstate 5 is 2 miles to the northeast at the I-5/Highway 99E interchange, and the I-5/Highway 20 interchange is 1.75 miles east. To the south is Highway 34 which connects Albany with Corvallis and the Oregon coast, and central Oregon and the City of Bend to east. Highway 99E runs north-south to the west of I-5 between Albany and Eugene, connecting the subject neighborhood with the farming communities of the Willamette Valley.

### Immediate Neighborhood

The subject is in an industrial node east of the Highway 99E (Pacific Highway) corridor in Albany. Highway 99E gives the subject regional and immediate access to major arterials within the area, as described above. Surrounding development is mostly light industrial.

### Outlook and Conclusion

Neighborhoods are constantly changing and continually cycle through four phases. The four phases include growth, stability, decline, and renewal. These phases are used to evaluate the changes that occur within a neighborhood over time. During the growth phase, the neighborhood is in the beginning of development and expansion. Following the growth phase is stability. The neighborhood may still grow, but at a much slower pace. A neighborhood enters a state of decline when it can no longer compete with adjacent neighborhoods. Lastly, renewal is the period during which a neighborhood is “rediscovered” because of affordability and convenience. The subject area has been in the steady phase as an established economic node for the immediate area and regionally.

As the population and employment rates keep trending slowly upward, the subject market area is anticipated to continue improving, with appreciating property values in the long term.

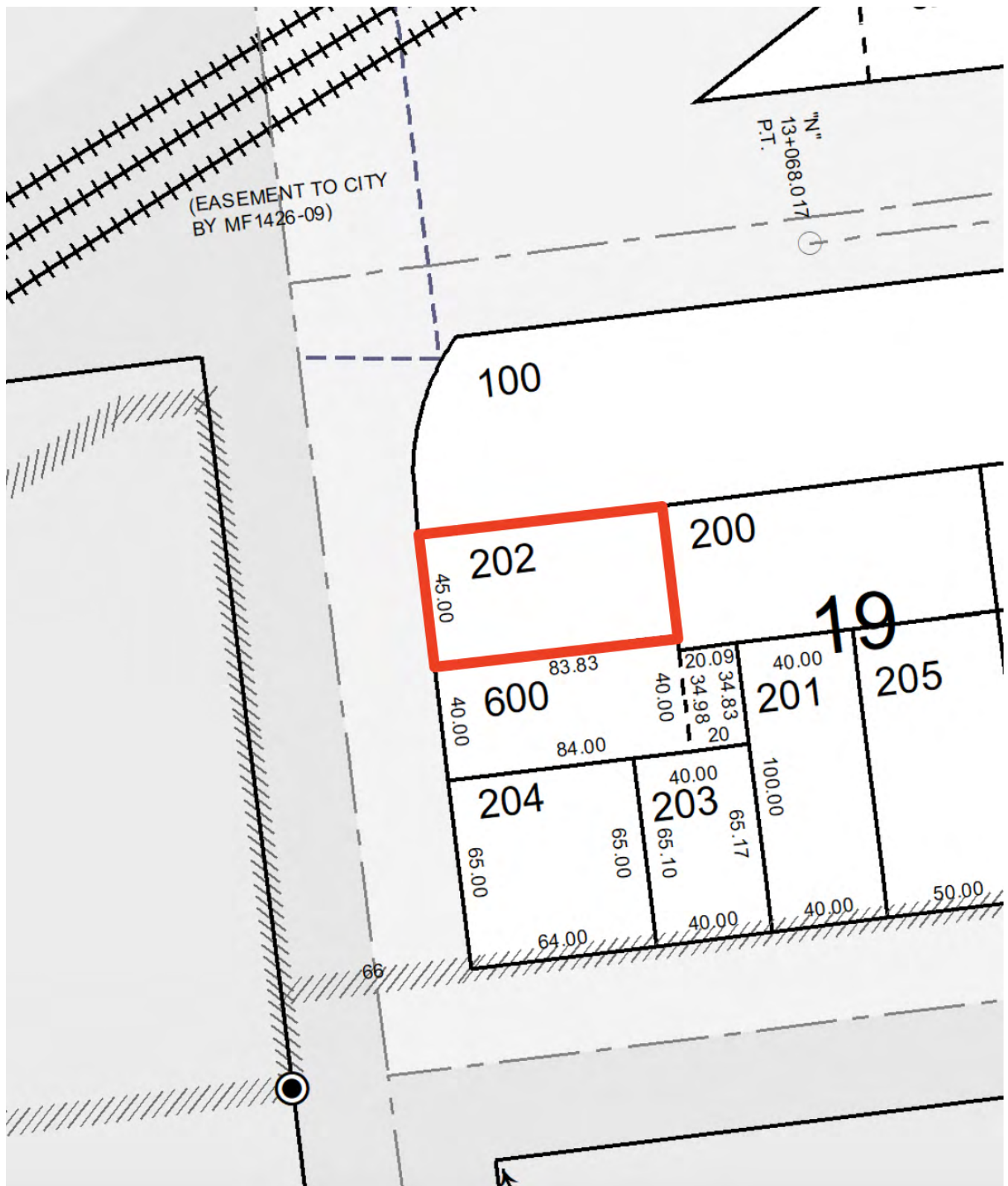
Overall, there are no adverse conditions that were evident that would have a detrimental impact on the neighborhood, or the marketability of the subject property specifically. With expected population and employment growth in the region, the forecast for the subject is for continuing stable to mildly appreciating property values.



## AERIAL OVERLAY



# PLAT MAP





## PROPERTY DESCRIPTION



### DESCRIPTION

**Property Name:** City of Albany Industrial Zoned Lot  
817 Jackson Street SE  
Albany, OR 97322

### SITE DESCRIPTION

**GENERAL:** A rectangular-shaped interior site which is level and at street grade. The site is within an industrial area immediately south of Highway 99E.

**Shape:** Rectangular

**Land Area:** The site is 0.08 acres (3,600 SF) in area according to County records.

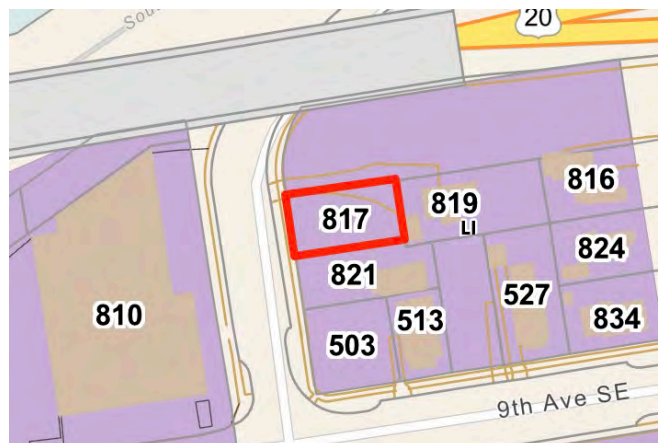


## PROPERTY DESCRIPTION (continued)

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### SITE DESCRIPTION (CONTINUED)

- Access/Exposure:** The subject has average access and exposure to Jackson Street, a neighborhood collector.
- Topography:** Level at street grade.
- Utilities:** All public utilities are available.
- Site Improvements:** Public sidewalks; 6' chainlink fencing; gravel.
- Easements/Encroachments:** A preliminary title report was not provided to the appraiser. This appraisal assumes that there are no easements or encumbrances which would adversely affect the utility or market value of the subject.
- Flood Plain:** FEMA FIRM panel 41043C 0213H (12/8/2016) locates the subject in zone X, outside known flood hazard zones.
- Drainage:** Nothing adverse noted during the inspection.
- Environmental:** A current environmental report was not provided. Upon property inspection and interview with representatives, no adverse factors are noted, and this appraisal assumes that none exist. Please refer also to the Assumptions and Limiting Conditions.
- Geology:** A geotechnical report was not provided. Subject soils are assumed stable and capable of supporting development commensurate with the concluded highest and best use.
- Zoning:** The subject is zoned LI (Light Industrial) by the City of Albany. According to the code, the LI zone is intended to provide areas for "... a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments." Uses are intended to have limited impacts on nearby properties; the LI zone serves as a buffer between heavy industrial zones and residential areas.



## PROPERTY DESCRIPTION (continued)

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### SITE DESCRIPTION (CONTINUED)

**Surrounding Uses:**

<b>North-</b>	Vacant
<b>South-</b>	SFR
<b>East-</b>	SFR
<b>West-</b>	Industrial

**Site Summary:** The subject site has adequate and marketable buildable area, average access and traffic in a built-up light industrial area, with all public utilities available. The site has good access to Highway 99E and to I-5. The site would be desirable for development.



## SUBJECT PHOTO

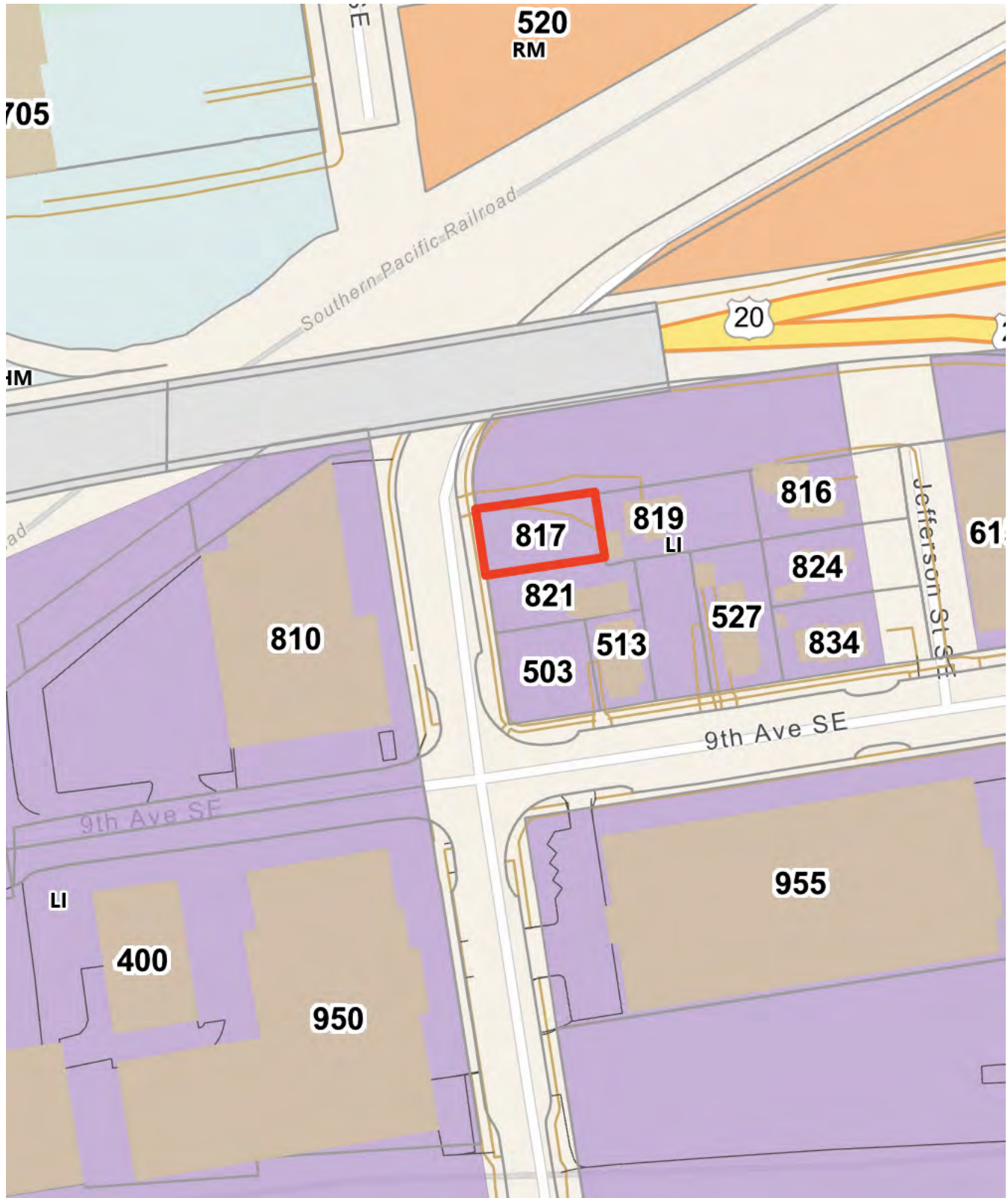


125JG-102



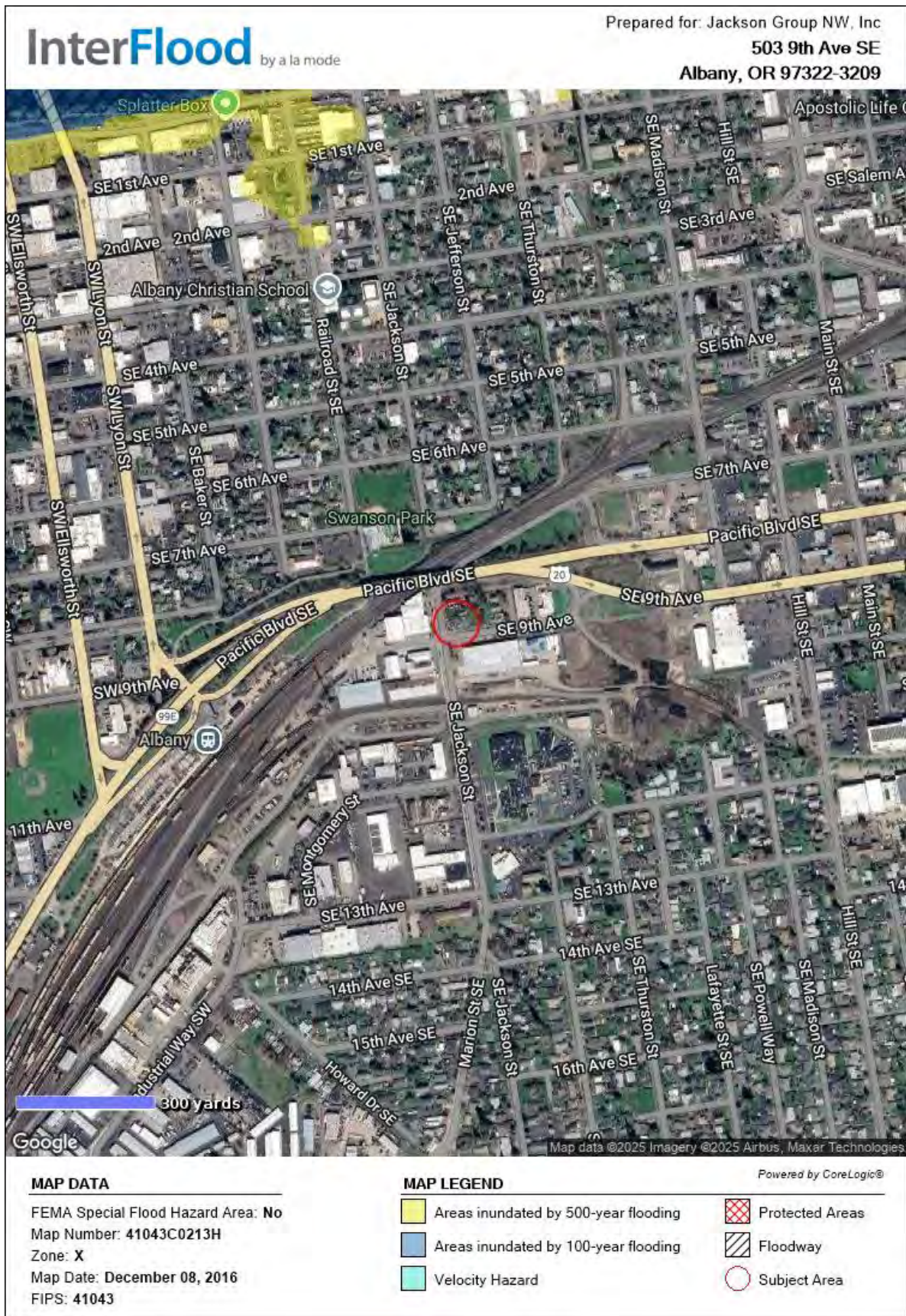


## ZONING MAP





# FLOOD MAP





## SUBJECT PROPERTY PHOTOGRAPHS

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Looking northeast from southwest corner of site



Subject from Jackson Street

## SUBJECT PROPERTY PHOTOGRAPHS

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Jackson Street SE, looking south. Subject is at left



Jackson Street SE, looking north. Subject is ahead at right

# HIGHEST AND BEST USE ANALYSIS

The Appraisal Institute defines the concept of highest and best use as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability." <sup>3</sup>

The highest and best use concept is based on traditional appraisal theory and reflects the attitudes of typical buyers and sellers who recognize that value is predicated on anticipation of future benefits. This theory is based on the wealth maximization of the owner. In the appraisal process, highest and best use concept typically reflects most probable use, and often relates to the most probable value of the property.

## **AS VACANT**

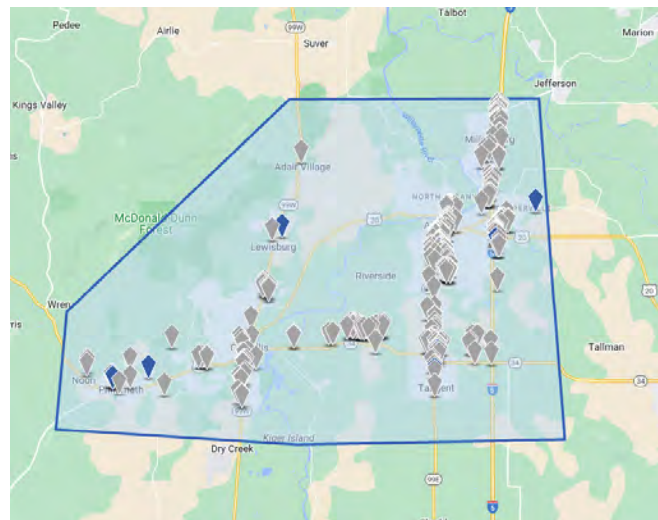
The subject site is zoned LI (Light Industrial) by the City of Albany. This zoning allows a wide variety of low-impact industrial uses, including manufacturing, warehousing, wholesaling, assembling, contracting and related uses. The site is physically functional, with marketable buildable area, access, and all utilities available. The immediate vicinity is built out, with little vacant land available.

**Physical:** The subject site is within a commercial / industrial corridor, adjacent to Highway 99E, with very good proximity to Interstate-5 via a nearby interchange. The immediate neighborhood is an industrial enclave that is well located to serve local as well as transient markets in the central Willamette Valley and beyond. The size, shape, topography, and soil conditions of the parcel are functional, with city utilities available. Extensive site frontage provides good exposure on a local collector. With functional shape and area, good location and linkages, the subject site would have good appeal for owner-occupancy. Given proximity to commercial and residential areas of Albany, a service-oriented use would seem likely.

**Legal:** The subject zoning promotes light industrial uses. The subject presents no extraordinary obstacles to development.

**Feasibility:** Employment and general economic conditions have been improving. The Albany area appears to be experiencing some growth, with recent investment apparent. The subject site as vacant is of adequate area and functional for development, and would have good appeal to an owner-user. The subject's commercial proximity indicates possible industrial/service use.

A CoStar survey of smaller industrial properties in the Albany submarket (see map at right) shows variable but low vacancy, currently at 1.3%.



<sup>3</sup> The Dictionary of Real Estate Appraisal, 2015, Sixth Edition, Appraisal Institute



## HIGHEST AND BEST USE ANALYSIS

Rents have been increasing since 2015, but leveled off in 2021, and today are 8.9% above the five-year average. Please refer to the graph at right and the table below.

Industrial properties are relatively unaffected by changing employee location (workplace / home) dynamics. Industrial rents are forecast to continue their steady rise. Low vacancy and rising prices are indicative of demand, which favors subject development. Nonetheless, speculative development in the near-term is not supported given current economic uncertainty.



Availability	Survey	5-Year Avg
Rent Per SF	\$8.91	\$8.18
Vacancy Rate	1.3%	1.9%
Vacant SF	130,210	189,181
Availability Rate	1.9%	3.0%
Available SF	188,410	300,374
Sublet SF	8,000	64,952
Months on Market	4.9	6.1

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	-33,846	55,041
12 Mo. Leasing SF	85,613	104,444

Inventory	Survey	5-Year Avg
Existing Buildings	326	323
Existing SF	10,104,161	9,986,766
12 Mo. Const. Starts	0	47,046
Under Construction	0	31,760
12 Mo. Deliveries	2,730	52,273

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$71	\$78
Asking Price Per SF	\$104	\$97
Sales Volume (Mil.)	\$33	\$27
Cap Rate	-	7.5%

Further analysis of possible development scenarios is beyond the scope of this appraisal, which develops and reports our opinion of as is market value.

Summary / As Vacant Conclusion: The subject market area is a stable corridor. Additional speculative development is not supported at this time. Based on planning goals, market trends, and subject specifics, the highest and best use of the subject site, as if vacant, is for development of a light industrial or service project, depending on changing market conditions and specific demand from prospective owner-users and/or primary lease tenants.



# VALUATION

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## INTRODUCTION

The social, economic, governmental, and environmental forces influencing the subject property have been presented. The specific physical and location characteristics of the site and improvements have been described. The highest and best use of the subject property is concluded to be as 0.08 acres of LI zoned land.

The appraisal assignment is to develop and report our opinion of the As Is Market Value of the subject property. The final opinion of value is a fee simple value.

## VALUATION APPROACHES

The Cost Approach is typically performed in valuation of newly-built &/or special-use properties, and properties in which a greater proportion of overall value is in the land. The Income Capitalization Approach is typically the strongest indicator for properties that would trade based on income / investment potential as the primary consideration. The Sales Comparison Approach is considered most applicable by owner-users and buyers giving additional consideration to benefits of ownership, and to physical presence.

## VALUE CONCLUSION

The subject is 3,600 SF (0.08 acre) of usable industrial-zoned land, located in an industrial enclave.

The subject land value is developed by sales comparison approach, which is the sole approach used for the land. This is typical for valuation of vacant fee owned land. Appraisal methodology performed and summarized in this report conforms with typical appraisal practice and expectations of the typical client in similar assignments, is sufficient for the intended use of the appraisal, and returns a credible opinion of value.

## SITE VALUATION

In this section, the market value of the subject site is developed by comparing it with light industrial use sites. The subject site is located in an established industrial neighborhood adjacent to a commercially intensive arterial, Highway 99E, within a greater growing submarket with low vacancy and rising rents.

### SITE COMPARABLE SALES ANALYSIS

When applicable, comparables are first adjusted for property rights conveyed, and non-market financing. Land sales are then adjusted to the subject according to comparable elements of zoning, location, physical characteristics, potential economic use, and market conditions.

The following adjustment grid represents a bracketing analysis that generally ranks the subject among the comparables. Adjustments are expressed as numerical percentages, to illustrate the relative weight given individual adjustments, compared with the subject property, and each other. The comparables are adjusted to the subject property consistent with standard appraisal methodology. A positive percentage adjustment indicates that a comparable is inferior to the subject regarding a specific (or set of related) characteristic(s) and is therefore adjusted upward to simulate rough parity with the subject property. Conversely, negative adjustment indicates that a comparable is superior to the subject in some regard and so is adjusted downward. The adjusted values indicate a quantifiable range of market value for the subject property, which is further refined in the narrative analysis that follows.

Comparable Land Sale Adjustment Grid

#	Comparables	Sale Price / Sale Date	Acre s(AC)	Size (SF)	\$/SF	Econ. Location	Size	Zoning / Utility	Site Imps. / Grading	Time - % annually	Market Cond.	Net Adjustment	Adjusted \$ / SF % of Unadjusted
1	92341 Booth St Junction City	\$325,000 1-Jun-2024	1.66	72,217	\$4.50	\$0.45 10.00%	\$2.25 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.08 1.85%	\$0.00 0.00%	\$2.78 61.85%	\$7.28 0.00%
2	740 Ellingson Rd SW Albany	\$240,000 26-Apr-2024	0.80	33,122	\$7.25	\$0.00 0.00%	\$1.81 25.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.16 2.15%	\$0.00 0.00%	\$1.97 27.15%	\$9.22 0.00%
3	3766 NE Steelhead Run Dr Albany	\$300,000 14-Mar-2024	1.41	61,306	\$4.89	\$0.00 0.00%	\$2.45 50.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.12 2.51%	\$0.00 0.00%	\$2.57 52.51%	\$7.46 0.00%
4	4380 SW Deschutes St Corvallis	\$1,016,824 17-Feb-2023	3.48	151,589	\$6.71	(\$0.67) -10.00%	\$4.03 60.00%	\$0.00 0.00%	\$0.00 0.00%	\$0.39 5.77%	\$0.00 0.00%	\$3.74 55.77%	\$10.45 0.00%
5	93309 Prairie Rd Junction City	\$425,000 27-Jul-2022	0.79	34,376	\$12.36	\$1.24 10.00%	\$3.09 25.00%	\$0.00 0.00%	(\$3.71) -30.00%	\$0.92 7.48%	\$0.00 0.00%	\$1.54 12.48%	\$13.90 0.00%
6	1921 SW Ferry St Albany	\$170,000 12-Apr-2022	0.83	36,300	\$4.68	\$0.00 0.00%	\$1.17 25.00%	\$1.17 25.00%	\$0.00 0.00%	\$0.39 8.36%	\$0.00 0.00%	\$2.73 58.36%	\$7.41 0.00%

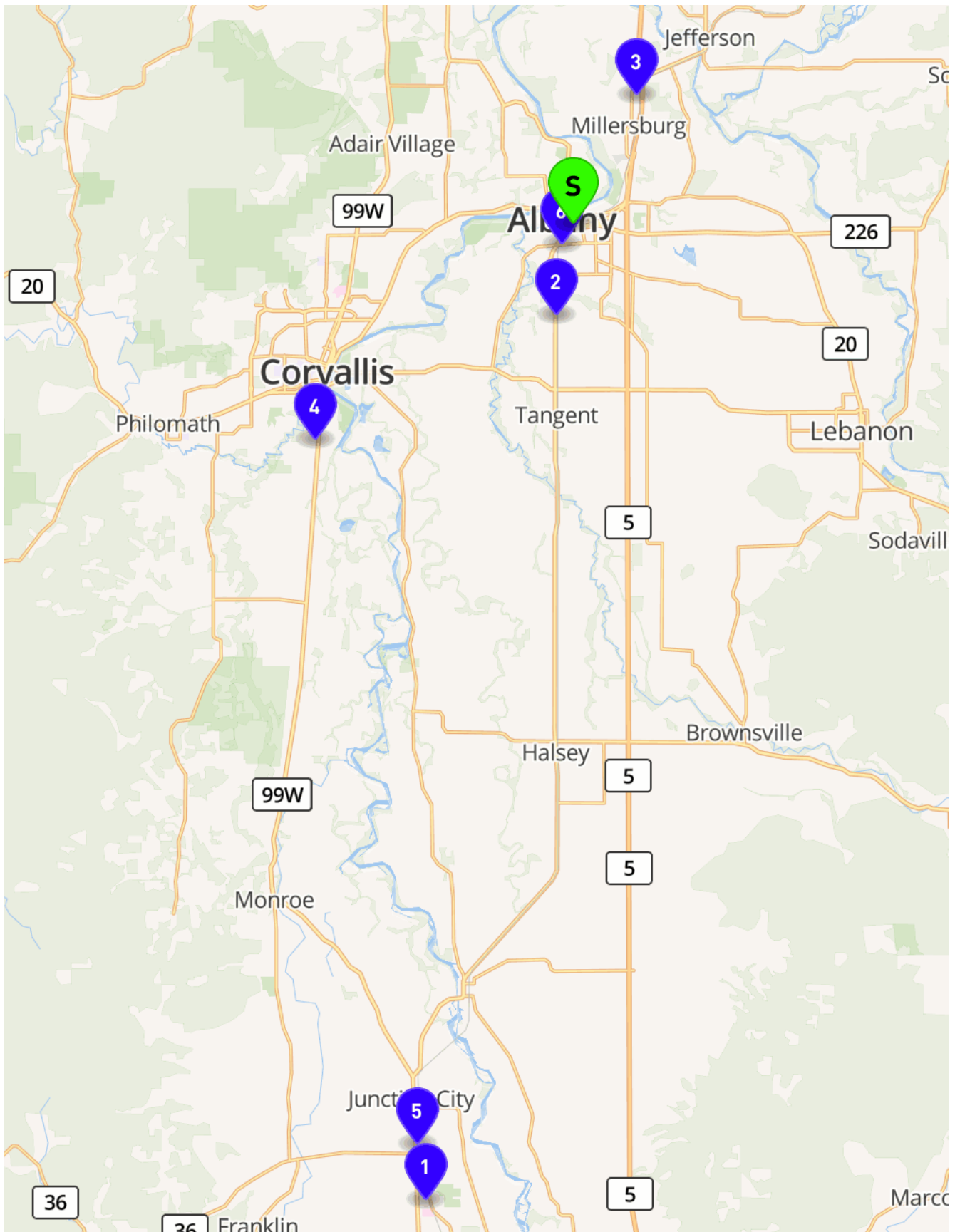
Sales of land with similar economic location, potential legal use(s) and functional utility were researched throughout the greater market area. Selected sales represent the most recent and comparable land sales available for analysis. Unadjusted sales range between \$4.50/SF and \$12.36/SF.

# Comparable Sale Table



Name/Location	Date of Sale	Usable Site SF	Usable Site Acres	Zoning	Utilities Available	Shape Topography	Existing Improvements	Price / SF
1 92341 Booth St Junction City, OR 97448	6/1/2024	72,217 SF	1.66 Acres	M3, Heavy Ind	None	Flag Level, at street grade	Data Center	\$4.50
2 740 Ellingson Rd SW Albany, OR 97322	4/26/2024	33,122 SF	0.80 Acres	IL	All available	Rectangular Level, at street grade	Unknown	\$7.25
3 3766 NE Steelhead Run Dr Albany, OR 97321	3/14/2024	61,306 SF	1.41 Acres	IL	All available	Rectangular Level, at street grade	Unknown	\$4.89
4 Industrial Land 3480 SW Deschutes St Corvallis, OR 97333	2/17/2023	151,589 SF	3.48 Acres	GI	Sewer, Telephone, and Water	Irregular Level, at street grade	6 Building Self Storage	\$6.71
5 93309 Prairie Rd Junction City, OR 97448	7/27/2022	34,376 SF	0.79 Acres	M2, Lt Ind.	Well, Septic	Irregular Level, at street grade	9600 SF Whse, Possible smaller 2nd bldg	\$12.36
6 1921 SW Ferry St Albany, OR 97322	4/12/2022	36,300 SF	0.83 Acres	LI	All available	Rectangular Level, at street grade	Unknown	\$4.68

## INDUSTRIAL LAND SALE MAP



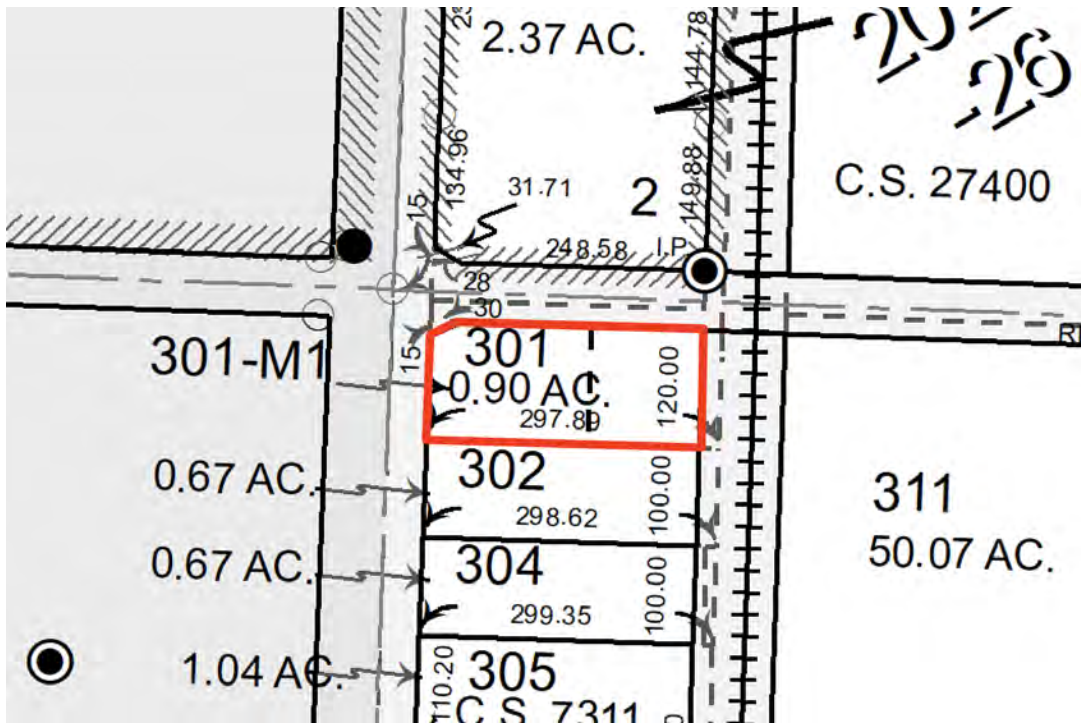
# COMPARABLE PHOTOS

Comp # 1.



92341 Booth St

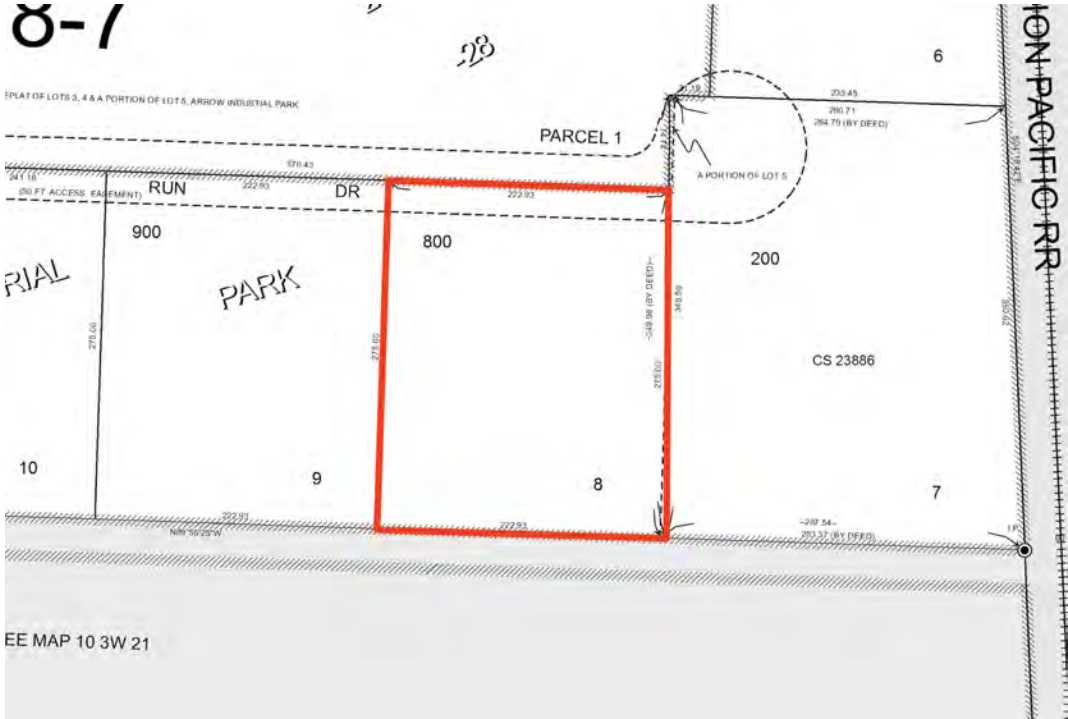
Comp # 2.



740 Ellingson Rd SW



Comp # 3.



3766 NE Steelhead Run Dr

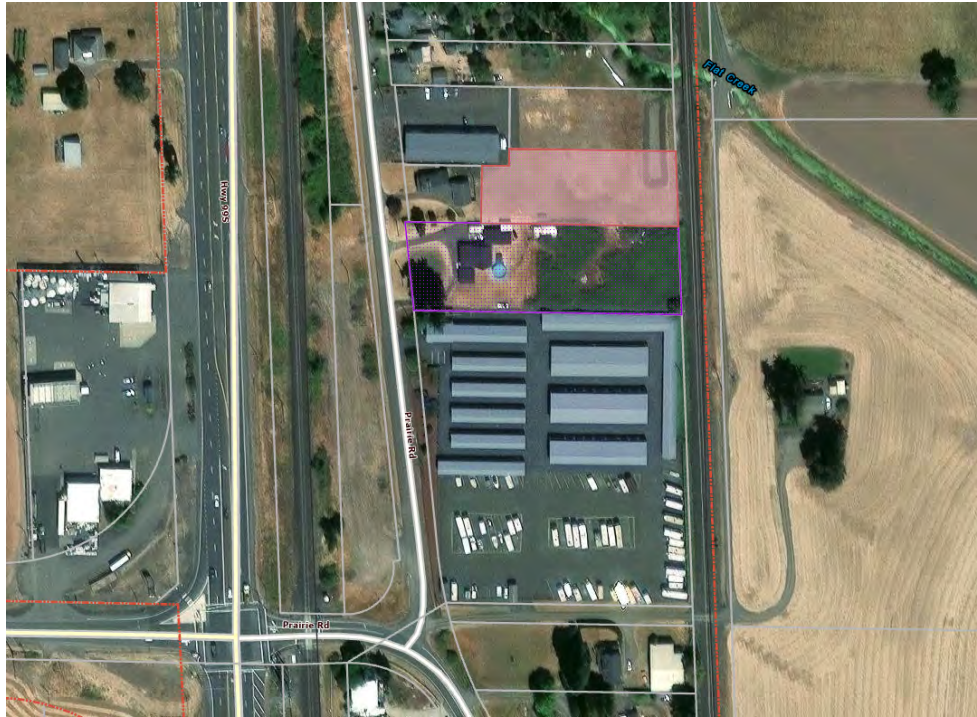
Comp # 4.



3480 SW Deschutes St

## COMPARABLE PHOTOS (continued)

Comp # 5.



93309 Prairie Rd

Comp # 6.



1921 SW Ferry St



## SITE VALUATION (continued)

Location / Access – The location & access adjustment is intended to account for differences in the immediate market areas of the comparables relative to the subject, as well as specific deficiencies that may attach to a particular comparable. Comparables 1 and 5 have mildly inferior locations and are adjusted upward 5% apiece. Comparable 4 has a superior location in Corvallis, where industrial land is scarcer, and is adjusted downward 10%. All of the other comparables have similar location and local demographics, and receive no adjustments.

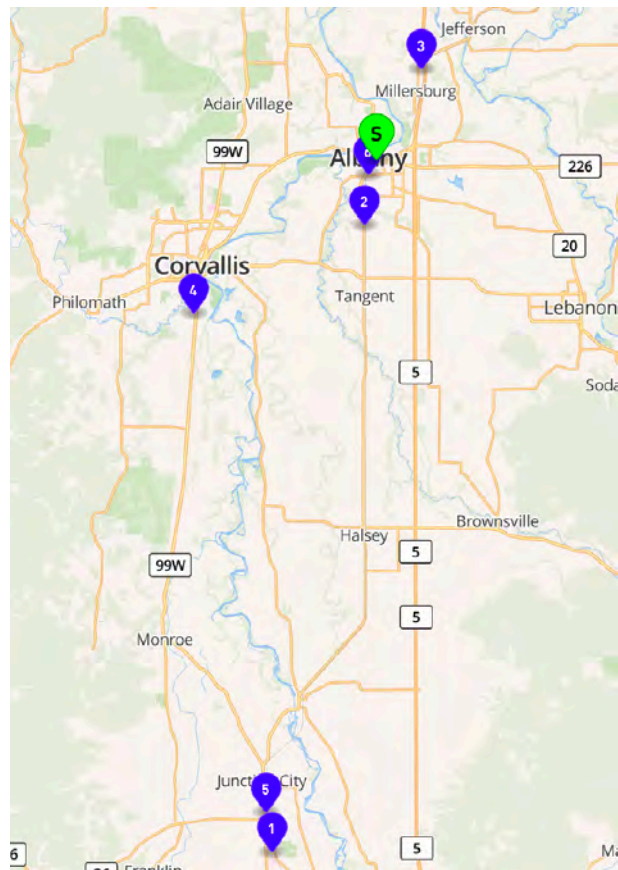
Land Area – The land area adjustment is made to reflect the relationship between size and unit values. Typically, a relatively larger area will depress the per-unit price (reduced competition for larger, more expensive parcels). All of the comparables are larger sites, and receive upward adjustments between 25% and 60%.

Zoning / Potential Use / Functional Utility – This adjustment considers differences in permitted / probable economic use of the property, from legal, physical and marketability perspectives, compared with the subject. All of the comparables have similar zoning. Comparable 6 is adjusted upward 25% for inferior utility, with a long narrow shape and very small frontage relative to overall site area. No other adjustments are made in this category.

Site Improvements – This adjustment reflects improvements to the site already made which would contribute to the proposed use. Comparable 5 had plans and approvals already in place for a 9,600 SF building, and is adjusted downward 30%. No other adjustments are made.

Time Adjustment – This adjustment reflects change in market conditions between the sale date and the date of analysis. Growth and price appreciation in the subject corridor has been slow but positive, and application of a Market Conditions / Time adjustment is indicated. Considering the residual effects of the COVID years, this adjustment is based on an average (linear) annual appreciation rate of 3% on sale prices, applied monthly to the number of months from the comparable sale date to the date of value.

Market Condition – This adjustment is intended to reflect intangible factors other than time that affect marketability, such as the availability of financing, atypical market events, and the demand for the property type. This adjustment is specific to the comparable as opposed to the time adjustment, which is a representation of the general market. None of the comparables were adjusted.



# SITE IMPROVEMENT VALUATION

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**LAND VALUE CONCLUSION**

Adjusted comparables indicate a range of market value from \$7.28 to \$13.90/SF.

Considering market trends and the comparables, and also subject location and small size, a market value of \$12/SF is concluded. The indicated market value for the subject site by the sales comparison approach is  $(3,600 \text{ SF} \times \$12/\text{SF}) = \$43,200$ , rounded to: **\$45,000** .

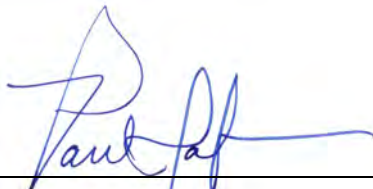
<b>As Is Fee Simple Value, Subject Property:</b>	<b>January 9, 2025</b>	<b>\$ 45,000</b>
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# CERTIFICATION OF APPRAISAL

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It is hereby certified that, to the best of the appraisers' knowledge and belief, the statements of fact contained in this report are true and correct.

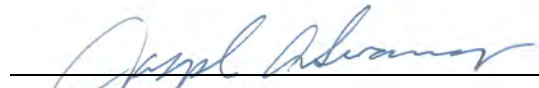
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting pre-determined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice.
- The Reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, W. Paul Jackson MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- We have performed no appraisal services, as appraiser(s) or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the acceptance of this assignment.
- Joseph A. Swaney made a personal inspection of the property that is the subject of this report. W. Paul Jackson did not inspect the subject property.
- No one not named in the appraisal report provided significant real property appraisal assistance to the person(s) signing this certification.



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W. Paul Jackson, MAI

Oregon Certified General Appraiser  
License No. C000548 – Expires July 31, 2026  
Washington Certified General Appraiser  
License No. 1100337 – Expires July 12, 2026



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Joseph A. Swaney

Oregon Certified General Appraiser  
License No. C001088 – Expires February 28, 2026



## ADDENDA CONTENTS

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### EXHIBIT A

Appraiser's Qualifications / Company Profile / Client Contracts

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### EXHIBIT B

N/A

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### EXHIBIT C

N/A

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### EXHIBIT D

N/A

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## **COMPANY PROFILE**

Jackson Group NW, Inc. is a commercial real estate appraisal and consulting firm located in Portland, Oregon. The goal of the company is to provide appraisal and consultation services in a professional and timely manner. We provide appraisal services for properties located in Oregon and Washington. We are dedicated to the company's goal of providing quality appraisal and consultation services on a personal basis.

We have extensive experience in appraising and providing consultation services. Our scope of experience includes multiple property types and various ownership interests from small owner occupied properties to large institutional grade investments.

**W. Paul Jackson, MAI** has worked as a commercial appraiser and consultant since 1992. Mr. Jackson has experience in appraising multiple property types. He also has experience in appraising property for estate planning and court testimony. Over the years, in addition to the standard property types, he has developed valuable experience and expertise in the valuation of Hotels/Motels, gas stations/c-stores, mobile home parks, golf courses, institutional grade government buildings and a handful of other unique property types. Mr. Jackson prides himself on his ability to provide quality professional appraisal services that are both reliable and on time. Whatever your appraisals need, be it a simple owner occupied office or a complex re-development, you can rely on Mr. Jackson to provide you with the service you need.

**Joseph B. Skilton** has worked in real estate since 1978 as a land survey fieldman and drafter, cartographer (Ticor), real estate research analyst, corporate librarian, computer analyst, and real estate publisher (Real Estate Transaction Journal). Mr. Skilton joined us in 1999 and specializes in retail, general commercial, and special-use property appraisals.

**Joseph A. Swaney** had a prior career working in the information technology field as a computer programmer and database analyst. His first introduction to real estate was as a surveyor's chainman in his teenage years. He joined Jackson Group NW, Inc. in February 2005 as an assistant to W. Paul Jackson, and became a Certified General Appraiser in 2012.

**William E. "Bill" Leavens** has worked in the real estate community since high school where he did general construction, property management and accounts receivable for Leavens Investments, a family-owned rental property business. He began appraising in January 2003, specializing in apartment appraisals. Over the past decade Bill has gained extensive experience in appraising and providing consultation services for multifamily developments as a high value employee and also as the owner of his own appraisal firm. Bill brings a high level of customer service and expertise to our firm that is of great value to our clients and us.

**Garth W. Bergeson** has worked in commercial real estate appraisal since June 2004 and is currently certified in both Oregon and Washington. Garth has a broad base of experience ranging from standard commercial real estate appraisal work to complex land valuations. Garth brings a level of expert analysis and critical thinking to our team that is reflected in his clear and logical writing style.

## **COMPANY PROFILE (CONTINUED)**

To better serve our clients, Jackson Group NW, Inc. maintains state of the art computer equipment, real estate analytical software programs, libraries of comparable and resource data, property sales, lease transactions, property data computer retrieval systems, and other necessary tools and information relevant to the real estate appraisal and consultation field.

Jackson Group NW, Inc. considers its clients to be its most valuable assets. We have served various small and large financial institutions, corporations, developers, private individuals, attorneys, accountants, and government agencies. Our appraisal experience extends to all types of commercial, industrial, residential, apartment, resort, agricultural, and special use properties.

Past appraisal assignments have been conducted to serve various functions, including mortgage financing, property purchase and disposition, lease/rent arbitration, litigation support, condemnation, property tax analysis and appeal services, and corporate planning purposes.

## **PROFESSIONAL SERVICES**

- **Valuation Reports:** The market valuation of real property interests (*fee simple, leasehold, leased fee, etc.*) in various types of properties is the primary focus of most real property appraisal assignments performed by Jackson Group NW, Inc.
- **Real Estate Consulting:** Jackson Group NW, Inc. also conducts consulting assignments relating to all property types. Providing competent, unbiased, professional guidance on diversified problems in real estate has taken on ever increasing importance as a method of reducing the risks associated with the real estate field. The firm has undertaken such tasks as discounted cash flow analysis, highest and best use analysis, market studies, subdivision analysis, and market / feasibility analysis.
- **Arbitration, Litigation Support, and Expert Witness Services:** Jackson Group NW, Inc. also offers services for real estate matters involving arbitration (*ground rent renegotiations, tenant space lease renegotiations, etc.*). We also offer litigation support services to attorneys with various real estate problems. It is our goal to provide not only offensive, but defensive strategies, in a fair and unbiased manner, in order to expose the strengths and weaknesses of a particular case. Finally, we are experienced in working with attorneys in preparation for expert witness testimony.
- **Appraisal Review Services:** An appraisal review serves the purpose of analyzing the content and conclusions of an appraisal report. Clients consider an appraisal review to be a valuable tool in determining the credibility of an appraisal report, in order to reduce the risks associated with important lending, legal, and investment decisions.
- **Property Tax Analysis and Appeal Services:** The real property tax liability for property has a direct impact on its operating/holding expenses, net income, and associated market value. Therefore, competent representation before government agencies regarding ad valorem taxes can be critical in keeping this expense item in check.

## PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI

Paul Jackson was born in Albany, Oregon and attended Oregon State University.

### EDUCATION

- Oregon State University, Bachelor Degree Economics 1991

### APPRAISAL INSTITUTE COURSES

- Analyzing Operating Expenses 2020
- 2020-21 USPAP 7-Hour Update 2020
- Forecasting Revenue 2020
- Small Hotel/Motel Valuation 2020
- Appraisal of Medical Office Buildings 2018
- Appraising Automobile Dealerships 2018
- Business Practices and Ethics 2018
- Eminent Domain and Condemnation 2018
- Data Verification Methods 2016
- Rates, Ratios: Making sense of GIMs, OARs, and DCF 2016
- Forecasting Revenue 2016
- Business Practices & Ethics 2016
- 7-hour USPAP 2016
- Business Practices & Ethics 2014
- Small Hotel/Motel Valuation 2014
- Subdivision Valuation 2014
- The DCF Model: Concepts, Issues, and Apps. 2014
- Green Buildings: Principles & Concepts 2014
- USPAP 7 hour Update 2011
- Feasibility, Market Value, Investment Timing: Option Value 2011
- Scope of Work: Expanding Your Range of Services 2011
- Appraising Convenience Stores 2011
- Site Valuation and Cost Approach 2009
- Analyzing Operating Expenses 2008
- Analyzing Distressed Real Estate 2008
- USPAP National Course Update 2008
- Using Your HP12C Financial Calculator 2006
- Feasibility, Market Value, Investment Timing: Option Value 2006
- Appraisal Report Writing Seminar 2004
- Small Hotel / Motel Valuation 2004
- GIS Applications for Real Estate Appraisal 2004
- Course 400, USPAP National Course Update 2003
- Search Strategies for Real Estate Appraisers 2001
- Valuation of Detrimental Conditions in Real Estate 2001

### PROFESSIONAL LICENSES

- Certified General Appraiser:
  - 1) State of Oregon Certificate No. C000548
  - 2) State of Washington Certificate No. 1100337

PROFESSIONAL QUALIFICATIONS - W. PAUL JACKSON, MAI

PROFESSIONAL AFFILIATIONS

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- Designated Member of the Appraisal Institute (MAI) 2004

PROFESSIONAL EXPERIENCE

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- Owner, Jackson Group NW, Inc., Portland, Oregon 2013 to Present
- Owner, Cassinelli Jackson LLC, Portland, Oregon 1997 to 2013
- Commercial Appraiser, Palmer Groth & Pietka, Inc., Portland, Oregon 1992 to 1997



## **AREAS OF COVERAGE**

We cover all of Oregon, SW Washington as far north as Pacific county (Aberdeen) and SE Washington as far east as Walla Walla.

We have extensive expertise and experience in appraising all types of commercial real estate, which includes the following:

- Retail – All types
- Office –All types and Classes
- Industrial - All types
- Hotels/Motels - All types
- Mobile Home Parks
- Gas Stations/ C-Stores
- Restaurants – Fast Food and Sit Down
- Multi-Family
- Camp Grounds
- RV Parks
- Subdivision Analysis
- All types of Land
- Churches
- Schools/Universities/Government Buildings
- Agricultural Property

I have been appraising commercial real estate for more than twenty-five years and my four associates have 12 to 20 years of experience in commercial real estate appraisal. There are very few property types or real estate valuation issues that we have not analyzed over the past couple of decades.

Thank You

Paul Jackson, MAI  
Jackson Group NW, Inc.



## PROFESSIONAL QUALIFICATIONS – JOE SWANEY

Joe Swaney was born in Portland, Oregon and is a graduate of Portland State University.

### EDUCATION

- Portland State University, Bachelor of Arts, Political Science 1984

### APPRAISAL INSTITUTE COURSES

- Basic Income & Capitalization Theory 2005
- Advanced Income & Capitalization Theory 2008
- Report Writing & Valuation Analysis 2008
- Site Valuation & Cost Approach 2008
- Sales Comparison Approach 2008
- Market Analysis and Highest & Best Use 2010
- Apartment Appraisal 2010
- Basic Appraisal Procedures 2012

### OTHER APPRAISAL COURSES

- Foundations of Appraisal, Portland Community College 2005
- Standards of Professional Practice (*USPAP*), Pro-Schools 2005
- Statistics, Modeling & Finance, McKissock, LP 2010
- FHA Single Family Appraisal, Career WebSchool 2010

### PROFESSIONAL LICENSES

- Certified General Appraiser  
State of Oregon Certificate No. C001088

### PROFESSIONAL EXPERIENCE

- Appraiser Jackson Group NW, Inc. Portland, Oregon 2013 to Present
- Appraisal Assistant, Cassinelli Jackson LLC, Portland, Oregon January 2005 to 2013
- Senior Programmer/Analyst, Regence Group, Portland, Oregon February 1989 to December 2004

The background of the page features a large, faint seal of the State of Oregon. The seal is circular with "STATE OF OREGON" around the top and "1859" at the bottom. In the center is a shield depicting a landscape with a plow, a sheaf of wheat, a ship, and a miner, with a rising sun in the background.

## Appraiser Certification and Licensure Board

State Certified General Appraiser

*28 hours of continuing education required*

**JOSEPH A SWANEY  
JACKSON GROUP NW, INC.  
PO BOX 1246  
CANBY, OR 97013**

License No.: C001088  
Issue Date: March 01, 2024  
Expiration Date: February 28, 2026

A handwritten signature in blue ink, appearing to read "Chad Koch", is positioned above a horizontal line.

Chad Koch, Administrator



January 2, 2025

City of Albany Community Development  
c/o Matthew Ruettgers  
Community Development Director  
333 Broadalbin St. SW  
Albany, OR 97321  
Email: [Matthew.Ruettgers@cityofalbany.net](mailto:Matthew.Ruettgers@cityofalbany.net)  
Phone: (541) 917-7674

**RE: INDUSTRIAL ZONED LAND**  
817 Jackson St SE, Albany  
503 9<sup>th</sup> Ave SE, Albany  
519 9<sup>th</sup> Ave SE, Albany

Dear Mr. Ruettgers,

I am pleased to submit the following proposal for the requested assignment. The terms and conditions are specified as follows:

**ASSIGNMENT SCOPE AND SPECIFICATIONS**

<b>Purpose:</b>	Estimate the market value of the above referenced property
<b>Property Rights Appraised:</b>	Fee Simple
<b>Premise / Valuation Date:</b>	Provide As Is Market Value as of the inspection date
<b>Intended Use:</b>	Determine value from which to establish a sales price
<b>Intended User:</b>	Matthew Ruettgers, City of Albany Community Development, and associated professionals
<b>Inspection:</b>	An on-site inspection of the property will be made by the appraiser
<b>Valuation Approaches:</b>	All applicable approaches as determined by the appraiser
<b>Report Type:</b>	Appraisal Report as per client requirements
<b>Appraisal Report Standards:</b>	Uniformed Standards of Professional Appraisal Practice
<b>Appraisal Fee:</b>	\$4,500
<b>Expenses:</b>	Included in the fee
<b>Retainer:</b>	0% (\$0)
<b>Payment Terms:</b>	Payment due upon delivery of the appraisal report. Please remit payments to: <b>Jackson Group NW, Inc.</b> <b>PO Box 1246</b> <b>Canby, OR 97013</b>
<b>Acceptance Date:</b>	This contract proposal is valid 5 business days from the date of this letter
<b>Start Date:</b>	Job commencement begins upon receipt of the signed contract and all requested information.
<b>Delivery Date:</b>	January 27, 2025 assuming prompt receipt of the contract, retainer, and all requested information.



**Report:**

The finished appraisals, one for each property, will be delivered via email to the client email in PDF format. Hard copies can be provided upon request for \$175 per copy.


If additional consultation is necessary after the appraisal is completed, the client will be billed at an hourly rate of \$350 per hour for all time expended. If the assignment is canceled for any reason prior to completion, the client will be billed at an hourly rate of \$350 per hour for all time expended prior to cancellation.

If the appraiser is required to give testimony for any reason, or at any time in connection with this assignment, then the client agrees to assume any reasonable professional fees and related costs, including preparation time. Trial preparation and consultation is billed at \$350 per hour. Court testimony time is billed at \$450 per hour.

Acceptance of this agreement by yourself, or a duly authorized agent, should be indicated by signing and mailing/delivering an authorized copy of this agreement to my attention. I look forward to working with you on this assignment, and should you have any questions on any aspect of this letter, please do not hesitate to call.

Sincerely,

**JACKSON GROUP NW, INC.**



W. Paul Jackson, MAI  
Oregon Certified General Appraiser C000548  
Washington Certified General Appraiser 1100337

Phone : 503-358-7340

Email : [paul@jacksongroupnw.com](mailto:paul@jacksongroupnw.com)

**ACCEPTANCE:**



Client Signature

1/2/2025  
Date

**Matthew Ruetters**

Client Name (Printed)

541-917-7674

Phone #

[matthew.ruetters@albanyoregon.gov](mailto:matthew.ruetters@albanyoregon.gov)

Email

**same as above**

Property Contact Name (Printed)

Phone #

Email



**Linn County**  
**2024 Real Property Assessment Report**  
Account 87037

**Map** 11S03W07-AB-00202  
**Code - Tax ID** 00846 - 87037

**Tax Status** Non-Assessable  
**Account Status** Active  
**Subtype** NORMAL

**Legal Descr** HACKLEMAN'S 2ND ADDITION  
Block - 19

**Mailing** ALBANY CITY OF  
PO BOX 490  
ALBANY OR 97321

**Deed Reference #** See Record  
**Sales Date/Price** See Record  
**Appraiser** UNKNOWN

**Property Class** 940    **MA**    **SA**    **NH**  
**RMV Class** 200    01    01    012

Site	Situs Address	City
1	817 JACKSON ST SE	ALBANY

Value Summary					
Code Area		RMV	MAV	AV	RMV Exception    CPR %
00846	Land	28,260		Land	0
	Impr	0		Impr	0
<b>Code Area Total</b>		28,260	0	0	0
<b>Grand Total</b>		28,260	0	0	0

Land Breakdown									
Code Area	ID #	RFPD	Ex	Plan Zone	Value Source	Trend %	Size	Land Class	Trended RMV
00846	1	<input checked="" type="checkbox"/>			Market	104	3,600 SF		28,260
<b>Code Area Total</b>							3,600 SF		28,260

Improvement Breakdown									
Code Area	ID #	Year Built	Stat Class	Description	Trend %	Total Sqft	Ex%	MS Acct	Trended RMV

Exemptions / Special Assessments / Notations									
<b>Exemptions (RMV)</b>									
■ ORS 307.090 - Cities and Towns									
<b>Notations</b>									
■ CITIES AND TOWNS ORS 307.090 ADDED 2018 CITY									

**Linn County**  
**2024 Real Property Assessment Report**  
Account 87029

**Map** 11S03W07-AB-00201  
**Code - Tax ID** 00846 - 87029

**Tax Status** Non-Assessable  
**Account Status** Active  
**Subtype** NORMAL

**Legal Descr** HACKLEMAN'S 2ND ADDITION  
Block - 19

**Mailing** ALBANY CITY OF  
PO BOX 490  
ALBANY OR 97321

**Deed Reference #** See Record  
**Sales Date/Price** See Record  
**Appraiser** GARTON, JOSHUA

**Property Class** 940    **MA**    **SA**    **NH**  
**RMV Class** 100    01    01    003

Site	Situs Address	City
1	519 9TH AVE SE	ALBANY

Value Summary					
Code Area		RMV	MAV	AV	RMV Exception    CPR %
00846	Land	69,000		Land	0
	Impr	0		Impr	0
<b>Code Area Total</b>		69,000	0	0	0
<b>Grand Total</b>		69,000	0	0	0

Land Breakdown									
Code Area	ID #	RFPD	Ex	Plan Zone	Value Source	Trend %	Size	Land Class	Trended RMV
00846	1	<input checked="" type="checkbox"/>			Market	100	4,000 SF		69,000
<b>Code Area Total</b>							4,000 SF		69,000

Improvement Breakdown									
Code Area	ID #	Year Built	Stat Class	Description	Trend %	Total Sqft	Ex%	MS Acct	Trended RMV

Exemptions / Special Assessments / Notations									
<b>Exemptions (RMV)</b>									
■ ORS 307.090 - Cities and Towns									
<b>Notations</b>									
■ CITIES AND TOWNS ORS 307.090 ADDED 2018 CITY									

**Comments** 527 9TH AVE SE, ALBANY

**Linn County**  
**2024 Real Property Assessment Report**  
Account 87052

**Map** 11S03W07-AB-00204  
**Code - Tax ID** 00846 - 87052

**Tax Status** Non-Assessable  
**Account Status** Active  
**Subtype** NORMAL

**Legal Descr** HACKLEMAN'S 2ND ADDITION  
Block - 19

**Mailing** ALBANY CITY OF  
PO BOX 490  
ALBANY OR 97321

**Deed Reference #** See Record  
**Sales Date/Price** See Record  
**Appraiser** GARTON, JOSHUA

**Property Class** 940    **MA**    **SA**    **NH**  
**RMV Class** 100    01    01    003

Site	Situs Address	City
	503 9TH AVE SE	ALBANY

Value Summary					
Code Area		RMV	MAV	AV	RMV Exception    CPR %
00846	Land	69,000		Land	0
	Impr	0		Impr	0
Code Area Total		69,000	0	0	0
Grand Total		69,000	0	0	0

Land Breakdown									
Code Area	ID #	RFPD	Ex	Plan Zone	Value Source	Trend %	Size	Land Class	Trended RMV
00846	1	<input checked="" type="checkbox"/>			Market	100	4,160 SF		69,000
Code Area Total							4,160 SF		69,000

Improvement Breakdown									
Code Area	ID #	Year Built	Stat Class	Description	Trend %	Total Sqft	Ex%	MS Acct	Trended RMV

Exemptions / Special Assessments / Notations									
<b>Exemptions (RMV)</b> <ul style="list-style-type: none"><li>■ ORS 307.090 - Cities and Towns</li></ul> <b>Notations</b> <ul style="list-style-type: none"><li>■ CITIES AND TOWNS ORS 307.090 ADDED 2018 CITY</li></ul>									

**Comments** '24 Cycle Appraisal: Utilized as homeless encampment. 3/24-JG-



## **NOTICE OF PUBLIC HEARING/ NOTICE OF SALE OF REAL PROPERTY**

Notice is hereby given that on **Wednesday, June 25, 2025, at 6:00 p.m.**, a **PUBLIC HEARING** will be held by the Albany City Council to afford you and other interested persons an opportunity to be heard on the following:

### **SALE OF SURPLUS PROPERTY(S) CURRENTLY OWNED BY THE CITY OF ALBANY, OREGON BID PROPOSALS DUE: NOON ON JUNE 24, 2025**

#### **PARCEL(S) LOCATED IN LINN COUNTY, ALBANY, OREGON MAP 11S-03W-07AB, TAX LOTS 0201, 0202, & 0204, PARCELS ARE ZONED LI - LIGHT INDUSTRIAL**

- **503 9TH AVENUE SE, 4,160 SQ. FT., \$50,000 APPRAISED VALUE (AV)**
- **519 9TH AVENUE SE, 4,000 SQ. FT, \$50,000 AV**
- **817 JACKSON STREET SE, 3,600 SQ. FT., \$45,000 AV**

Bid proposals must include if the offer is for one, all, or a combination of the properties, a separate sealed bid, a clear vision of the buyer's intended use(s) of the property(s) as may be allowed by the current LI - Light Industrial zoning. The LI district is intended for a wide range of manufacturing, warehousing, processing, assembling, wholesaling, specialty contractors and related establishments. Uses will have limited impacts on surrounding properties.

#### **Bid Procedures:**

1. Deliver Sealed Bids to: Albany Community Development Department; Attention: Matthew Ruettgers, Director; 333 Broadalbin Street SW; Albany, OR 97321. On the outside of the envelope write the address(es) of the property(s) for which you are bidding on, name, and address.
2. Pitch proposed vision and development objectives at the **Public Hearing on June 25, 2025, at 6:00 p.m.** (optional)
3. The City Council will close the public hearing and recess to executive session to open sealed bids and deliberate. The City Council may\* select a buyer(s) to move forward with sale(s) and close of escrow.

\*The City may reject any proposal not in compliance with the prescribed solicitation procedures and any applicable law and may reject any or all proposals in whole or in part when the cancellation or rejection is in the best interest of the City, and at no cost to the City.

**Recommended Proposal/Pitch Submittal Materials:** 1. Property vision and benefits to Albany (job creation, business expansion, new business, etc.). 2. Draft site plan and/or visual renderings. 3. Experience and qualifications summary. 4. Financial capacity to execute purchase and vision.

This meeting is accessible to the public in person or via phone and video connection. The agenda and directions to access the meeting will be posted at <https://albanyoregon.gov/council/materials>

**PUBLIC HEARINGS:** Persons wanting to provide testimony during public hearings at council meetings may:

1. Email written comments to the staff contact, listed below, including your name and subject of the public hearing, before **noon on the day of the meeting**.
2. To testify during the public hearing, register by emailing the staff contact, listed below, before **noon on the day of the meeting**, with your name; phone number; and if you are speaking for, against, or neutral on the project/subject. The Mayor will call upon those who have registered to speak.
  - **The staff contact for written materials or to register to speak at the public hearing is: [matthew.ruettgers@albanyoregon.gov](mailto:matthew.ruettgers@albanyoregon.gov).**
3. Appear in person at the meeting and register to speak using the sign-up sheet on the table.



**Questions** about the properties or process, contact Matthew Ruetters at 541-917-7674.

This notice is given in accordance with provisions of the Oregon Revised Statutes 221.725 and is posted on the City's website at <https://albanyoregon.gov>.

DATED THIS 14TH DAY OF JUNE 2025.

Matthew Ruetters  
Community Development Director

Publish: Albany Democrat-Herald, June 14, 2025



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE SALE OF REAL PROPERTY LOCATED AT \_\_\_\_\_, ALBANY, OREGON 97322

WHEREAS, the City of Albany is the current owner of the above-referenced property; and

WHEREAS, the property was publicly listed for sale; and

WHEREAS, a notice was published in accordance with ORS 221.725 to sell real property located as noted above; and

WHEREAS, a public hearing was conducted on the sale of the property on June 25, 2025; and

WHEREAS, the City Council has determined that it is in the best interest of the City to authorize the sale of the property.

NOW, THEREFORE, BE IT RESOLVED by the City of Albany that the above-referenced property may be offered for sale and upon such other ancillary terms as the City may deem appropriate.

DATED AND EFFECTIVE THIS 25TH DAY OF JUNE 2025.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk



**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager

**FROM:** Jenn Ambuehl, Budget Manager

**DATE:** June 13, 2025, for the June 25, 2025, City Council Meeting

**SUBJECT:** 2023-2025 Supplemental Budget

A handwritten signature in blue ink, likely belonging to Jenn Ambuehl, the Budget Manager.

### **Purpose:**

Adopt by resolution, the proposed 2023-2025 Biennium supplemental budget

### **Background/Discussion:**

Per ORS 294.473, when a supplemental budget will adjust fund expenditures by 10% or less the supplemental budget may be adopted at a regularly scheduled meeting of the governing body and does not require a public hearing. The proposed supplemental budget changes total appropriations by \$1,530,900, an increase of 0.36 percent. The proposed changes are described on a fund-by-fund basis below.

### **Strategic Plan Impact:**

Effective Government – Ensure compliance with all federal and state regulations relating to municipal services.

### **Budget/Staff Impact:**

#### **General Fund:**

- Increase Administration program by \$135,000 to reflect payments associated with higher than anticipated Linn County transient lodging tax revenues.

Total appropriation change: \$135,000 at 0.13% of fund appropriations

#### **Parks and Recreation Fund:**

- Increase Parks Capital Improvement program by \$35,000 for Lehigh Park improvements per CDBC contribution.

Total appropriation change: \$35,000 at 0.13% of fund appropriations

#### **Grants Fund:**

- Increase Police grants by \$408,900 to reflect increased appropriations due to several grant resources coming in higher than what was anticipated at time of adoption.

Total appropriation change: \$408,900 at 2.6% of fund appropriations

**Public Transit Fund:**

- Increase Albany Transit System STIF program by \$100 for increased STIF charges for Albany Transit. Funded by general billing to Linn County STIF.
- Increase Linn Benton Loop program by \$150,000 for increased vehicle maintenance. Funded by higher than anticipated beginning fund balance.
- Increase Albany Transit Capital program by \$225,000 for purchase of GAPS bus facility. Funded by higher than anticipated beginning fund balance.

Total appropriation change: \$375,100 at 2.5% of fund appropriations

**Streets Fund:**

- Increase Street Capital and Restoration program by \$400,000 to be used for future capital projects. Funded by increased ILFF transfer from water fund. Transfer was under-budgeted for the biennium.

Total appropriation change: \$400,000 at 1.0% of fund appropriations

**Water Fund:**

- Increase Water SDC Improvement program by \$81,700 for refunds expense not anticipated at time of adoption. Funded by increased water sdc improvement collections.

Total appropriation change: \$81,700 at 0.15% of fund appropriations

**Stormwater Fund:**

- Create a new program for Stormwater SDC Improvement program. Increase appropriations by \$10,000 for credit card fees. Funded by stormwater sdc improvement collections.
- Create a new program for Stormwater SDC Reimbursement program. Increase appropriations by \$5,000 for credit card fees. Funded by stormwater sdc reimbursement collections.

Total appropriation change: \$15,000 at 0.13% of fund appropriations

**Central Services Fund:**

- Increase Human Resources IT Equipment program by \$20,000 for higher than anticipated minor equipment costs. Funded by higher than anticipated beginning fund balance.

Total appropriation change: \$20,000 at 0.10% of fund appropriations

**Public Works Central Services Fund:**

- Increase Public Works Customer Services program by a net \$8,700 for increased online account management costs. This increase is funded by 2 items. First a decrease in the operating reserves of \$13,100 is moved to online account management. This is a net zero transaction. Second, an increase to beginning fund balance of \$8,700, due to higher than anticipated beginning balance, funds the net increase of \$8,700.
- Increase Operations administration program by \$20,000 for increased building maintenance costs. Funded by higher than anticipated beginning fund balance.
- Increase Water Quality Control Services program by \$31,500 for increased cost of lab supplies. Funded by higher than anticipated beginning fund balance.

Total appropriation change: \$60,200 at 0.24% of fund appropriations

**Staff Recommendation:**

Staff recommend City Council approve the supplemental budget and corresponding resolution as presented.

**Attachments:**

Resolution





## RESOLUTION NO. \_\_\_\_\_

### A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET FOR BIENNIUM 2023-2025

WHEREAS, the Albany City Council adopted a budget for the 2023-2025 biennium on May 24, 2023; and

WHEREAS, ORS 294.471 authorizes the creation of a supplemental budget as there have been occurrences or conditions that were not known at the time the budget was prepared that requires a change in financial planning; and

WHEREAS, there have been occurrences which were not anticipated at the time of budget adoption, which require prompt action, and are necessary to meet the needs of the organization; and

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that the appropriations, shown below, for the 2023-2025 biennium are hereby approved; and

#### GENERAL FUND

	Current Budget	Sup Bud Adj	Adj Budget
<b>GENERAL FUND</b>			
Administration	\$ 1,051,200	\$ 135,000	\$ 1,186,200
Municipal Court	2,672,200	-	2,672,200
Planning	3,446,000	-	3,446,000
Police	35,824,500	-	35,824,500
Public Safety Levy - Police	5,138,800	-	5,138,800
Public Safety Levy - Fire	5,138,800	-	5,138,800
Fire Emergency Services	36,684,000	-	36,684,000
Library	7,134,900	-	7,134,900
Abatement	184,400	-	184,400
Stabilization	975,000	-	975,000
Transfers Out	255,800	-	255,800
Contingency	4,004,900	-	4,004,900
<b>Total GENERAL FUND</b>	<b>\$ 102,510,500</b>	<b>\$ 135,000</b>	<b>\$ 102,645,500</b>

#### SPECIAL REVENUE FUNDS

	Current Budget	Sup Bud Adj	Adj Budget
<b>PARKS &amp; RECREATION</b>			
Park & Recreation Admin	\$ 4,683,300	\$ -	\$ 4,683,300
Resource Dev Marketing Svc	551,900	-	551,900
Performance & Cultural Art	1,918,600	-	1,918,600
Family Recreation	837,800	-	837,800
Adult Recreation Services	1,009,500	-	1,009,500
Aquatic Services	2,638,600	-	2,638,600
Park Maintenance Services	8,452,300	-	8,452,300
Park SDC Projects	2,004,400	-	2,004,400
Parks Capital Imp Program	3,357,400	35,000	3,392,400
Contingencies	2,075,100	-	2,075,100
<b>Total PARKS &amp; RECREATION FUND</b>	<b>\$ 27,528,900</b>	<b>\$ 35,000</b>	<b>\$ 27,563,900</b>

**SPECIAL REVENUE FUNDS (CONTINUED)**

<b>GRANTS FUND</b>	<b>Current Budget</b>	<b>Sup Bud Adj</b>	<b>Adj Budget</b>
Grants: Finance	\$ 2,825,000	\$ -	\$ 2,825,000
Grants: IT	40,000	-	40,000
Grants: Community Development	1,751,600	-	1,751,600
Grants: Police	713,700	408,900	1,122,600
Grants: Fire	3,388,900	-	3,388,900
Grants: Public Works	4,875,700	-	4,875,700
Grants: Parks & Recreation	355,300	-	355,300
Grants: Library	1,006,300	-	1,006,300
Transfers Out	734,000	-	734,000
<b>Total GRANTS FUND</b>	<b>\$ 15,690,500</b>	<b>\$ 408,900</b>	<b>\$ 16,099,400</b>

<b>PUBLIC TRANSIT</b>	<b>Current Budget</b>	<b>Sup Bud Adj</b>	<b>Adj Budget</b>
Albany Transit System	\$ 3,776,800	\$ -	\$ 3,776,800
Albany Transit System STIF	1,426,800	100	1,426,900
Linn-Benton Loop	3,093,500	150,000	3,243,500
Linn-Benton Loop STIF	1,606,000		1,606,000
Paratransit System	2,151,200		2,151,200
Paratransit System STIF	14,000		14,000
Albany Transit Capital	995,000	225,000	1,220,000
Albany Transit IT Equip	5,600		5,600
Linn-Benton Loop IT Equip	4,100		4,100
Paratransit Sys IT Equip	11,500		11,500
Albany Transit Sys Equip	314,000		314,000
Linn-Benton Loop Equip Rep	1,126,600		1,126,600
Paratransit System Equip	260,300		260,300
<b>Total PUBLIC TRANSIT FUND</b>	<b>\$ 14,785,400</b>	<b>\$ 375,100</b>	<b>\$ 15,160,500</b>

<b>STREETS</b>	<b>Current Budget</b>	<b>Sup Bud Adj</b>	<b>Adj Budget</b>
Street Administration	\$ 2,313,700	\$ -	\$ 2,313,700
Street Maintenance	4,897,000		4,897,000
Street Capital & Restoration	20,748,500	400,000	21,148,500
Transportation SDC Improv Fee	6,822,200		6,822,200
Transportation SDC Reimb Fee	1,529,800		1,529,800
Ada Capital Projects	537,400		537,400
Street Maint IT Equip Repl	16,700		16,700
Street Maint Equip Replace	874,500		874,500
Transfers Out	160,000		160,000
Contingencies	519,900		519,900
<b>Total STREETS FUND</b>	<b>\$ 38,419,700</b>	<b>\$ 400,000</b>	<b>\$ 38,819,700</b>

**ENTERPRISE FUNDS**

<b>WATER</b>	<b>Current Budget</b>	<b>Sup Bud Adj</b>	<b>Adj Budget</b>
Water Administration	\$ 7,890,700	\$ -	\$ 7,890,700
Albany-Millersburg Wtp	4,166,500		4,166,500
Vine St Water Treatment Plant	2,054,600		2,054,600
Water Distribution	4,897,800		4,897,800
Water Canal Maintenance	2,149,000		2,149,000
Water System Capital Projects	20,366,600		20,366,600
Water SDC Improvement Fee	34,500	81,700	116,200
Water SDC Reimbursement Fee	640,900		640,900
Water Economic Development	518,400		518,400
North Albany Water Capital	1,028,100		1,028,100
Water Debt Service	5,437,800		5,437,800
Water Admin IT Equip Repl	3,600		3,600
Alb-Millersburg Wtp IT Eq	370,500		370,500
Vine St Wtp IT Equip Repl	317,000		317,000
Water Distrib IT Equip	7,200		7,200
Canal Maint IT Equip Repl	4,400		4,400
Water Admin Equip Replace	3,900		3,900
Alb-Millersburg Wtp Eq	102,800		102,800
Vine St Wtp Equip Replace	40,000		40,000
Water Distribution Equip	705,900		705,900
Water Canal Maint Equip	237,800		237,800
Transfers Out	2,013,300		2,013,300
Contingencies	1,160,300		1,160,300
<b>Total WATER FUND</b>	<b>\$ 54,151,600</b>	<b>\$ 81,700</b>	<b>\$ 54,233,300</b>

<b>STORMWATER</b>	<b>Current Budget</b>	<b>Sup Bud Adj</b>	<b>Adj Budget</b>
Stormwater Administration	\$ 2,668,200	\$ -	\$ 2,668,200
Stormwater Operations	2,086,500		2,086,500
Stormwater Capital Projects	5,866,800		5,866,800
Stormwater SDC Improvement Fee	-	10,000	10,000
Stormwater SDC Reimbursement Fee	-	5,000	5,000
Stormwater Admin IT Equip	3,100		3,100
Stormwater Op Equip Repl	409,400		409,400
Contingencies	251,900		251,900
<b>Total STORMWATER FUND</b>	<b>\$ 11,285,900</b>	<b>\$ 15,000</b>	<b>\$ 11,300,900</b>

**INTERNAL SERVICE FUNDS**

<b>CENTRAL SERVICES</b>	<b>Current Budget</b>	<b>Sup Bud Adj</b>	<b>Adj Budget</b>
CS Administration	\$ 1,187,400	\$ -	\$ 1,187,400
Finance	3,654,400	-	3,654,400
Finance IT Equip Repl	35,200	-	35,200
Mayor & Council	380,700	-	380,700
City Manager'S Office	3,505,800	-	3,505,800
Code Enforcement	403,600	-	403,600
Emergency Mgmt/Safety	425,900	-	425,900
Mayor & Council IT Equip	47,400	-	47,400
City Manager'S IT Equip	27,400	-	27,400
Code Enforcement IT Equip	3,200	-	3,200
Emergency IT Equip	4,000	-	4,000
Code Enforcement Equip	26,600	-	26,600
Emergency M/S Equip Replace	4,000	-	4,000
Information Technology	3,924,300	-	3,924,300
Gis Services	835,800	-	835,800
Permit Tracking	262,900	-	262,900
Information Tech IT Equip	265,000	-	265,000
Gis Service IT Equip Repl	382,600	-	382,600
Permit Tracking IT Equip	10,800	-	10,800
IT Equipment Replacement	31,400	-	31,400
Human Resources	2,159,200	-	2,159,200
Labor Relations	128,700	-	128,700
Human Resources IT Equip	14,000	20,000	34,000
Facilities Maintenance	1,805,500	-	1,805,500
Gf Facilities Maintenance Proj	630,900	-	630,900
Facilities Maint IT Equip	16,700	-	16,700
Contingencies	420,000	-	420,000
<b>Total Appropriations</b>	<b>\$ 20,593,400</b>	<b>\$ 20,000</b>	<b>\$ 20,613,400</b>

<b>PUBLIC WORKS CENTRAL SERVICES</b>	<b>Current Budget</b>	<b>Sup Bud Adj</b>	<b>Adj Budget</b>
PW Administration	\$ 3,519,400	\$ -	\$ 3,519,400
PW Engineering Services	8,327,800		8,327,800
PW Customer Services	4,015,300	8,700	4,024,000
Operations Administration	1,364,300	20,000	1,384,300
Facilities & Maint Engineering	5,661,700		5,661,700
Water Quality Control Service	1,551,700	31,500	1,583,200
PW Admin IT Equip Replace	21,500		21,500
PW Engineering IT Equip	42,100		42,100
PW Customer Service IT Eq	353,200		353,200
Operations Admin IT Equip	15,900		15,900
Facilities & Mnt Eng IT Eq	39,000		39,000
Water Quality Ctrl IT Eq	8,000	-	8,000
PW Engineering Equip Rep	77,200		77,200
PW Customer Serv Equip Rep	59,900		59,900
Operations Admin Equip Rep	23,400		23,400
Facilities & Maint Eng Eq	225,500		225,500
Water Quality Ctrl Equip	59,700		59,700
<b>Total Appropriations</b>	<b>\$ 25,365,600</b>	<b>\$ 60,200</b>	<b>\$ 25,425,800</b>

DATED AND EFFECTIVE THIS 25TH DAY OF JUNE 2025.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Recorder





TO: Albany City Council

VIA: Peter Troedsson, City Manager  
Chris Bailey, Public Works Director

FROM: Staci Belcastro, P.E., City Engineer  
Bailey Smith, Civil Engineer I

DATE: June 4, 2025, for the June 25, 2025, City Council Meeting

**SUBJECT:** Award of Contract for WL-25-01, 7th Avenue & Walnut Area Water Line

**Purpose:**

Award a contract for WL-25-01, 7th Avenue & Walnut Area Water Line to Wind Rose Excavation, of Junction City, Oregon.

**Background/Discussion:**

On Tuesday, June 3, 2025, bids were opened for WL-25-01, 7th Avenue & Walnut Area Water Line. There were nine bids submitted for this project, ranging from \$815,752.68 to \$1,310,975.00. The Engineer's estimate was \$937,000. A bid summary is provided as Attachment 1.

This project includes construction of approximately 3,300 feet of new water line pipes, abandonment of approximately 5,300 feet of existing water line, and installation of water services, meters and related appurtenances. The existing waterlines on 7th Avenue and Walnut Street are deteriorating and can no longer sustain the water flow necessary for the area. This project will increase the size of the pipes to allow for more flow and eliminate unnecessary pipes along Vine Street to increase the overall system reliability.

Based on the project bid and anticipated related costs, a summary of the total estimated project cost is shown in the following table. Amounts are rounded to the nearest \$100.

Project Components	Estimated Cost
<b>I. Engineering Costs</b>	
a. Engineering Design	\$40,000
b. Construction Inspections	\$20,000
<i>Engineering Subtotal</i>	\$60,000
<b>II. Construction Costs</b>	
a. Contract Amount	\$815,800
b. Contingency (10%)	\$81,600
<i>Construction Subtotal</i>	\$897,400

<i>Total Estimated Project Cost</i>	\$957,400
<i>Project Budget</i>	\$1,400,000
<i>Under Project Budget</i>	\$442,600

**Strategic Plan Impact:**

Construction of replacement water lines with this project meets Goal 2: Provide safe, sufficient, and reliable drinking water, found under the Safe City theme in the city's adopted strategic plan.

**Budget/Staff Impact:**

This project will be funded from the Water System Capital Projects Fund (61540450).

**Staff Recommendation:**

Staff recommend that council, by motion, award this contract in the amount of \$815,752.68 to the low bidder, Wind Rose Excavation of Junction City, OR 97448.

**Alternatives:**

1. Award the contract as recommended.
2. Do not award the contract

**Attachments:**

1. Bid Summary
2. Project Map



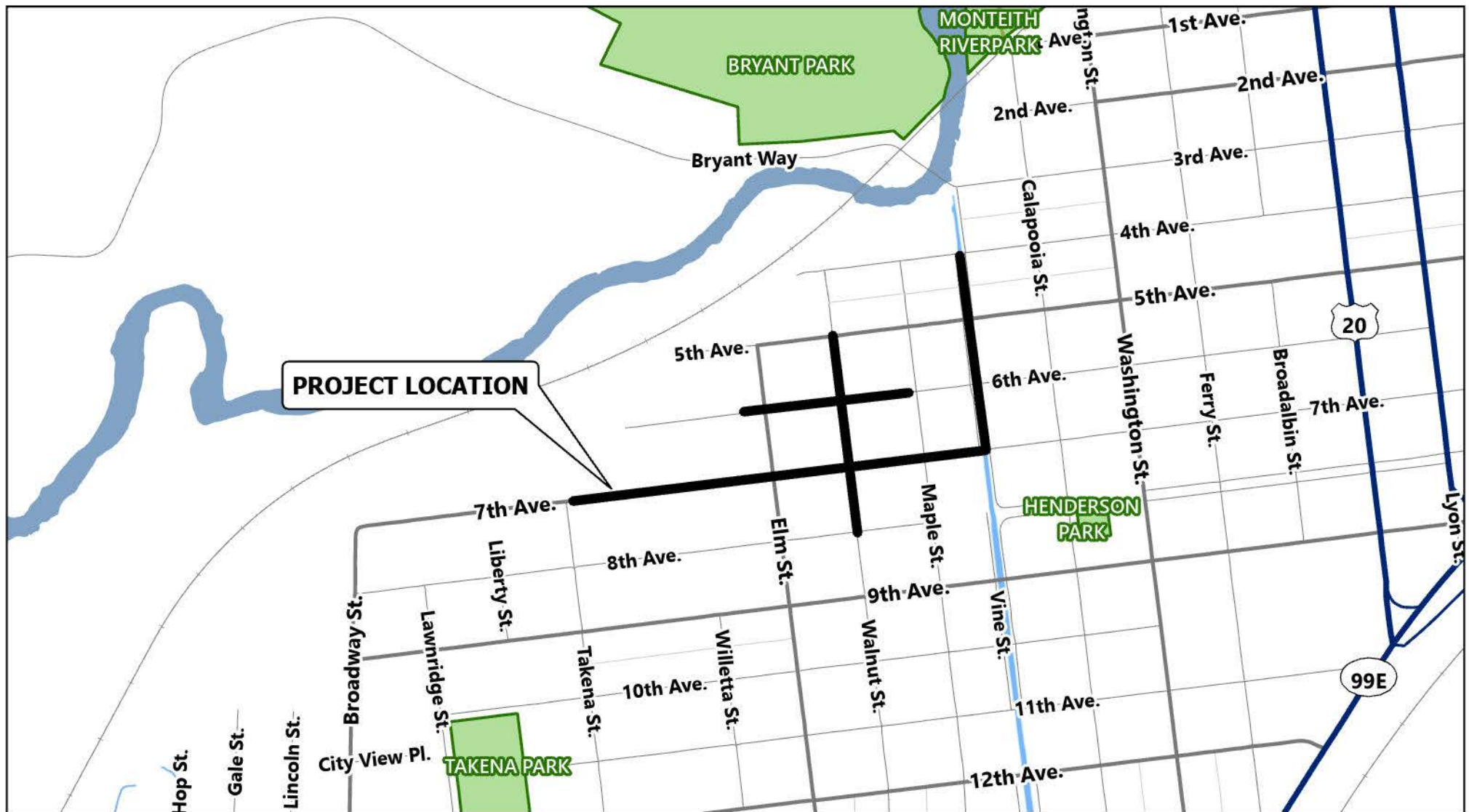
**CITY OF ALBANY, OREGON**  
**Public Works Department**  
**Construction Contract Bids**

**Project:** WL-25-01, 7th Avenue & Walnut Area Water Line

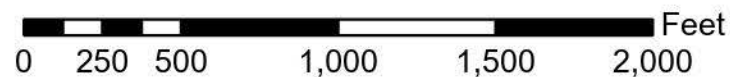
**Bid Opening:** Tuesday, June 3, 2025

<b>Engineer's Estimate</b>	<b>Wind Rose Excavation (Junction City, OR)</b>	<b>M.L. Houck Construction Co. (Salem, OR)</b>	<b>H &amp; J Construction, Inc. (Eugene, OR)</b>	<b>Greensuns, Inc. (Eugene, OR)</b>	<b>Meza Excavation &amp; Construction, LLC (Boring, OR)</b>
\$946,700.00	\$815,752.68	\$956,529.00	\$1,029,583.00	\$1,067,609.75	\$1,085,893.50

<b>Pacific Excavation (Eugene, OR)</b>	<b>Turney Excavating, Inc. Silverton, OR</b>	<b>Jesse Rodriguez Construction, LLC (Silverton, OR)</b>	<b>Emery &amp; Sons Construction Group (Salem, OR)</b>
\$1,153,605.00	\$1,218,520.00	\$1,240,035.00	\$1,310,975.00



ATTACHMENT 2: PROJECT VICINITY MAP  
 WL-25-01: 7TH AVE AND WALNUT ST AREA WATER LINE





**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager  
Matthew Ruetters, Community Development Director

**FROM:** Anne Catlin, Comprehensive Planning Manager

**DATE:** June 16, 2025, for the June 25, 2025, City Council Meeting

**SUBJECT:** Community Development Block Grant (CDBG) Program Overview

A handwritten signature in blue ink, likely belonging to Anne Catlin, the Comprehensive Planning Manager.

### **Purpose:**

Informational review of the Community Development Block Grant (CDBG) Program and funding provided by the U.S. Department of Housing and Urban Development (HUD).

### **Background/Discussion:**

The CDBG program was authorized by the Housing and Community Development Act of 1974. The CDBG program consolidated several categorical grants (urban renewal, neighborhood development and model cities) into a single “block” grant program. A primary goal of the program is to benefit residents of low and moderate income (LMI).

Albany became an eligible CDBG entitlement jurisdiction in 2013 when the city’s population surpassed 50,000. The city will receive an annual block grant of \$373,063 for FY 25/26 based on a formula that includes a variety of factors.

CDBG funds can be used to address a variety of community needs. Albany has allocated funds for housing rehabilitation; shelter improvements; sidewalks, paths and parks repairs and equipment in LMI neighborhoods; property acquisition and clearing for affordable housing; public services; job creation activities; and shelter improvements. Activities must be specifically eligible under federal program regulations and meet a national objective of the CDBG program – principally to improve public facilities or housing in LMI areas, provide services, or economic opportunities for LMI residents. (CDBG funds may not be used to construct housing, unless by a HUD-approved Community Based Development Organization or Community Financial Institution.)

**CDBG Program Requirements:** Entitlement jurisdictions must develop the following plans and all must be approval by HUD.

- Consolidated Plan: every five years the city must develop a strategic plan that identifies community needs and strategic objectives to guide spending. The plan is informed by community input, agency consultations, data, and a variety of other quantitative and qualitative data sources.
- Annual Action Plan: describes how the city will use its annual CDBG allocation to respond to the needs and goals in the Consolidated Plan. The City uses a competitive grant application process to identify activities to fund. (No more than 15 percent of the annual award may be allocated to public services.) Both the annual and consolidated plans must be available for public comment for at least 30 days and require a public hearing.



- Consolidated Annual Performance and Evaluation Report (CAPER): this report must be submitted within 90 days from the end of each fiscal year. It captures progress on implementing projects and activities in each action plan and compares progress to the five-year Consolidated Plan goals and objectives. The CAPER must be made available for public comment for at least 15 days.
- Financial Summary Report: reports obligations and expenditures for the program year and determines the percentages of funding for LMI activities, planning and administration, and public services to ensure program caps aren't exceeded.
- Citizen Participation Plan: identifies how the city will solicit public input on community needs and use of CDBG funds.
- Analysis of Impediments to Fair Housing: the City must research and identify obstacles to housing choice by federal and state protected classes and actions the city can take to affirmatively further fair access to housing choice within the city.

**Activity Requirements:** must meet CDBG national objectives, National Environmental Protection Act standards, Davis-Bacon labor standards, contracting and procurement standards, the Fair Housing Act, and more.

See the attached CDBG overview and process documents.

### **Strategic Plan Impact:**

CDBG funded activities support the Great Neighborhoods and Healthy Economy strategic plan themes.

### **Budget/Staff Impact:**

The City may retain up to 20 percent of each annual allocation for program administration - \$74,600 for the 2026 fiscal year, based on the city's CDBG allocation of \$373,063. Future funding is uncertain.

### **Attachments:**

1. CDBG Program Overview
2. CDBG Process Chart

# Community Development Block Grant Program

## Overview

The Community Development Block Grant (CDBG) Program was authorized by the Housing and Community Development Act of 1974. The CDBG program consolidated several categorical grants (public facilities and utilities, open space, historic preservation, neighborhood development and model cities, etc.) into a single “block” grant program. The program is governed by the Code of Federal Regulations (CFRs), primarily in 24 CFR Part 570.

The primary goal of the program is to benefit people of low and moderate income (LMI). The primary objective of the program is the development of viable urban communities by providing:

- Decent housing;
- A suitable living environment; and
- Expanded economic opportunities.

The U.S. Department of Housing and Urban Development (HUD) provides annual grants on a formula basis to entitled metropolitan cities and urban counties to implement a wide variety of community and economic development activities directed towards neighborhood revitalization and the provision of improved community facilities and services.

## Citizen Participation

A grantee must develop and follow a detailed plan which provides for and encourages resident participation and which emphasizes participation by LMI residents or needs in LMI or blighted areas. The plan must:

- Provide citizens with reasonable and timely access to local meetings, information, and records related to the grantee's proposed and actual use of funds
- Provide for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance
- Provide for timely written answers to written complaints and grievances
- Identify how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate

## National Objectives

CDBG activities are initiated and developed at the local level based upon a community's needs, priorities, and benefits to the community. Each CDBG entitlement grantee (i.e., Albany) is free to determine what activities it will fund as long as the activity is eligible and meets a **national objective**. Not less than 70 percent of CDBG funds must be used for activities that benefit low- and moderate-income residents (or households earning less than 80 percent of area median income). For an activity to meet a national objective, it must satisfy at least one of the criteria identified below.

## Low- and Moderate-Income (LMI) Benefit

**Area Benefit:** Activity provides benefit to area where at least 51% of residents have low- to moderate-incomes (LMI)

- Area is primarily residential, and activity meets LMI needs.
- Income levels are documented by Census or an approved substitute.
- Exceptions apply under special circumstances.

**Limited Clientele:** Activity benefits a limited number of persons who are at least 51% LMI

- Persons are presumed to be LMI (abused children, elderly, homeless).
- Assistance is for LMI persons owning or developing microenterprises.
- Activity is a job training or placement activity (conditions apply).

**Housing:** Activity provides or improves residential structures to be occupied by LMI persons

- At least 51% of units must be occupied by LMI (exceptions are possible under limited circumstances).

**Jobs:** Activity creates or retains jobs

- At least 51% of the jobs must be held by or available to LMI persons.

#### Slums/Blight

**Area Basis:** Activity addresses slums and blight in area designated under state or local law

- Area must have a substantial number of deteriorated buildings.
- Activity must address one or more conditions contributing to deterioration.

**Spot Basis:** Activity eliminates specific condition of blight in particular instance

- Condition is not located in a slums and blight area.
- Activity is acquisition, clearance, relocation, historic preservation, or rehabilitation.

**Urban Renewal Area:** Activities located in urban renewal area or Neighborhood Development Program area

- Activity must be necessary to complete the urban renewal plan.

## **Eligible Activities**

To ensure conformance, the U.S. Dept. of HUD lists eligible activities and national objectives that each activity must meet. These key requirements appear as Federal regulations at 24 CFR 570 and are detailed in the CDBG Guidebook.

#### Housing and Activities Related to Real Property

- Rehabilitation activities, including: Acquisition for rehab and rehab for residential purposes (labor/materials, other related improvements, costs and services)
- CDBG cannot generally be used to construct housing, but can be used for:
  - acquisition and disposition,
  - site clearance and assemblage,
  - site improvements
- Interim assistance to prevent severe deterioration or alleviate emergencies
- Code enforcement
- Historic preservation
- Renovation of closed buildings
- Lead-based paint testing and mitigation
- Handicapped Access
- Energy Efficiency
- Brownfields Remediation and Development

#### Public Facilities and Improvements

- Acquisition, installation, construction and rehabilitation of infrastructure (water/sewer lines, streets, sidewalks, parks);
- Acquisition, construction or rehab of neighborhood facilities for persons with special needs (homeless shelters, group homes and halfway houses)

#### Activities Related to Economic Development

- Microenterprise assistance (financial support, technical assistance, related services)
- Special economic development assistance activities that produce certain public benefits (jobs or retail services) through:
  - Acquisition, construction, rehabilitation or installation of commercial or industrial buildings, equipment and other improvements
  - Financial and technical assistance as well as related services

#### Activities Related to Public Services

Costs to provide public services. Services for the homeless and seniors; job training and employment services; health care; substance abuse counseling and treatment; childcare; crime prevention; recreation and education programs; fair housing counseling; energy conservation counseling and testing; homebuyer down payment help; and welfare. The amount of CDBG funds obligated in a program year to support public service activities may not exceed 15% of the total grant award.

#### Other Types of Activities

- Relocation assistance and related loss of rental income
- Technical assistance to public or non-profit entities for capacity building

#### Planning and Administration Activities

- Planning activities including plans; studies; and policy-planning, management and capacity building activities
- Program administration activities including general management, oversight and coordination; public information; fair housing activities.

### **HUD Ineligible Activities**

The following are examples of activities that may not be assisted with CDBG funds:

- Buildings used for the general conduct of government; except removal of architectural barriers is permitted at government facilities.
- General government expenses required to carry out the regular responsibilities of local government.
- Political activities.
- New construction of housing units, except special activities by CBDs.
- Purchase of construction equipment, fire protection equipment, furnishings and personal property.
- Income payments (exception is emergency payments made over a period of up to three (3) consecutive months directly to the provider of such items or services as food, clothing, housing or utilities on behalf of an individual or family).

This is not an exhaustive list of ineligible activities; eligibility considerations will be made on a project-by-project basis.

### **Federal Requirements, Monitoring and Reporting**

Federal funds come with numerous federal requirements and HUD-funded programs have additional requirements. Below are some of the rules CDBG activities must comply with.

- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URARAP) and Section 104(d) of the Housing and Community Development Act
- Environmental Assessment for compliance with the National Environmental Protection Act and Council on Environmental Quality
- The Architectural Barriers Act of 1968
- The Americans with Disabilities Act (ADA)
- The Fair Housing Act
- HUD Housing Quality Standards (24 CFR 982.401)

- Bidding, procurement and contracting requirements
- Labor Standards Laws to ensure appropriate wage rates among other requirements: Davis-Bacon Act, Copeland Anti-Kickback Act, Contract Work Hours and Safety Standards Act, Section 3 of the Housing and Urban Development Act
- Build America, Buy America Act (BABA)
- Lead Safe Housing Rule and Environmental Protection Agency's Lead Renovation, Repair and Painting Program Rule – these rules apply to pre 1978 dwellings and pre-1978 child-occupied facilities.

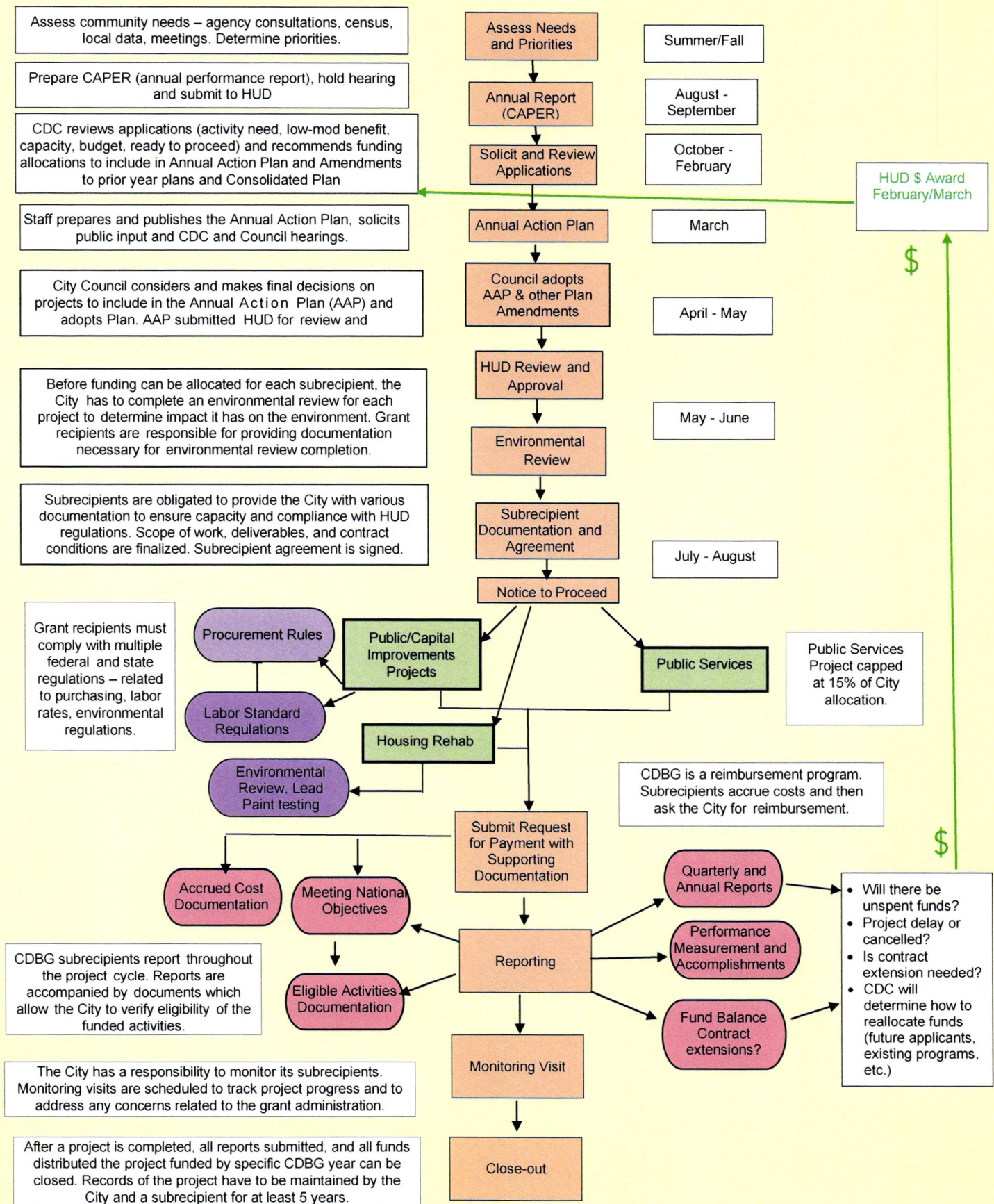
Monitoring. Due to the many program requirements, staff must oversee and “monitor” all subrecipients and activities to ensure they meet program eligibility, objectives, and goals. This requires review of all expenditures, review of program reporting, and on-site monitoring of files, financial records, and accomplishments to ensure they meet all applicable federal program requirements – from income eligibility of beneficiaries to labor laws. The city has a monitoring plan and conducts a risk assessment of each subrecipient and project to determine which activities will trigger on-site monitoring.

HUD in turn monitors the city's management of the CDBG program activities and subrecipients, financial records, and environmental records.

Record Keeping and Reporting. Entitlement jurisdictions must use an online system to submit plans, environmental records, reimbursement requests, and performance on projects and activities. The information captured by the online system helps demonstrate to HUD that the project was eligible and met a national objective. All grantees use the system, so the data is collected in a standard format which enables HUD to easily aggregate the data at a national level and report on the results of CDBG-funded activities.



# Annual CDBG Process





**TO:** Albany City Council

**VIA:** Peter Troedsson, City Manager  
Matthew Ruetters, Community Development Director

**FROM:** Anne Catlin, Comprehensive Planning Manager

**DATE:** June 13, 2025, for the June 25, 2025, City Council Meeting

**SUBJECT:** Housing Implementation Plan Policy Proposals

A handwritten signature in blue ink, likely belonging to Anne Catlin, the Comprehensive Planning Manager.

### **Purpose:**

Provide final review and direction regarding the proposed Housing Construction Excise Tax (CET) and the Low-Income Rental Housing Property Tax Exemption (LIRHTE) programs prior to bringing these items back for consideration July 9, 2025.

### **Background:**

In 2021, the council appointed the Housing Affordability Task Force (HATF), that represented a wide range of housing interests to provide direction on strategies the City could consider to address current and future housing needs. The HATF recommendations became the Housing Implementation Plan (HIP), which was adopted in June of 2023.

In 2024, the city council reviewed priority housing strategies and policies at three work sessions (August 5, September 30, and November 4, 2024). Staff sought public feedback on these strategies through focus groups, a survey, individual meetings, office hours, and the Housing Forum held November 14, 2024.

The council held a public hearing on the proposed Housing CET, the LIRHTE, and the Surplus City-Owned Land for Housing strategies on December 11, 2024. Following the hearing, the council voted to adopt a resolution to establish policies for city-owned surplus property for housing. The CET and LIRHTE ordinances were read a first time in title only, but one no vote precluded final action on these two items at that time.

Due to minor amendments needed to the December 11, 2024, CET ordinance, the length of time since December, and new councilors, a new public hearing is scheduled for July 9, 2025, which provides an opportunity to confirm/reconsider a few details.

### **Discussion:**

**Housing Construction Excise Tax (CET):** The CET is a one-time “tax” (fee) on new development charged at the issuance of building construction permits to create a stable revenue source to support needed housing. This tool was established in 2016 through the passing of Senate Bill 1533 and codified in Oregon Revised Statutes (ORS) 320.175 to 320.195. Many Oregon cities of all sizes have enacted CETs to raise revenue to incentivize affordable housing. Highlights of the controlling ORS provisions follow:



1. **CET Rates (ORS 320.192):** Allows jurisdictions to enact a tax rate of up to one percent on residential development (Residential CET) and sets no limit on the tax rate on commercial and industrial development (Commercial CET). The Council's direction at the December 11, 2024, meeting was to set the Residential CET at one percent (1%) and Commercial CET at one and a half percent (1.5%) by resolution to enable future rate changes.
2. **Exemptions (ORS 320.173):** State law exempts numerous development types from the CET (see proposed AMC 3.090.040). The council supported adding a local exemption for the first \$50,000 of an improvement's permit valuation, which would provide a full exemption for most smaller improvements and a discount to the CET on all other projects.
3. **Use of Revenues.** ORS 320.195 specifies how CET revenues must or may be spent (see proposed AMC 3.09.100.). Over the next six months, staff would work with the Community Development Commission and council to determine housing needs and programs that could be supported with the CET.
4. **Administration:** Retain up to four percent of CET revenue as an administrative fee to be applied to the cost of administering the programs and revenues.

Since December 11, 2024, staff identified a few minor modifications to the proposed Albany Municipal Code language (attached), including:

- Clarifying the CET only applies to new residential living space and occupiable space in non-residential developments; the tax would not apply to a new garage or storage building, for example.
- Specifying the tax is on the value of the structural improvement as calculated by the International Code Council construction valuation table.
- Adding a definition of "Residential" because not all non-commercial projects are residential.

**Council CET Considerations:**

- **CET Rates:** Because the rates would be established by resolution, the CET rates may be changed at any time. Staff presented different rate options for the Residential and Commercial CET ranging from 0.25 percent to 1 percent for residential and 1.5 percent for commercial purposes, based on research of rates enacted by other cities, and the projected revenues the tax rates could generate annually as provided in the July 2024 HIP Housing Policies Background Report; figures provided below.

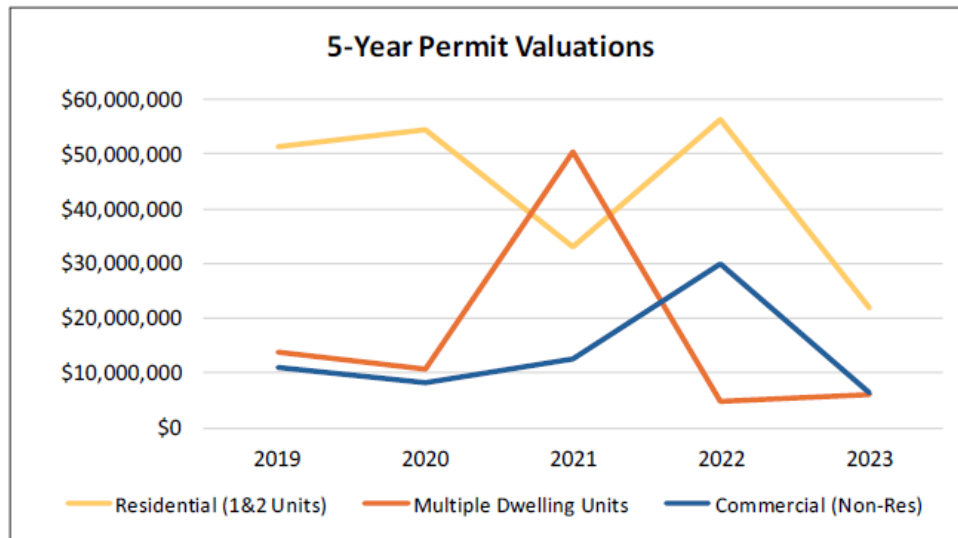
**FIGURE 3.1: ADOPTED CET PROGRAMS, SAMPLE OREGON CITIES**

	<b>Residential</b>	<b>Commercial</b>	<b>Adoption</b>
Bend	0.33%	0.33%	2006
Corvallis	1%	1.5%	2016
Eugene	1%	1%	2019
Grants Pass	0.5%	1%	2021
McMinnville	1%	1%	2022
Medford	0.33%	0.33%	2018
Milwaukie	1%	1%	2017
Newburg	1%	1%	2020
Newport	1%	1%	2017

Source: Cities, Johnson Economics LLC

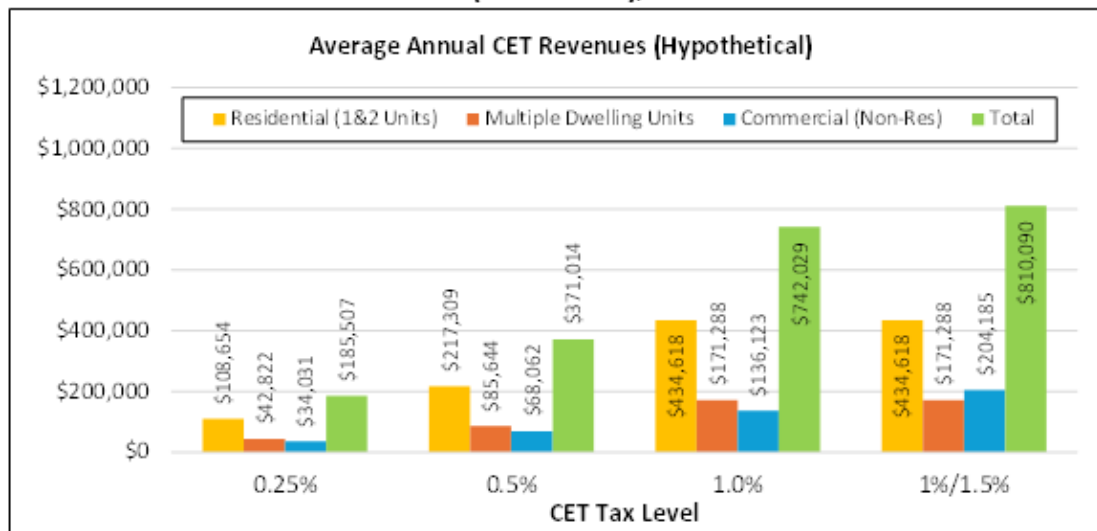
**Note:** Eugene scaled the implementation of CET rates, starting with 0.33% in 2019, 0.5% in 2020, increasing to 1% effective July 1, 2021.

FIGURE 3.2: AVERAGE ANNUAL AND FIVE-YEAR PERMIT VALUATIONS, CITY OF ALBANY (2019 – 2023)



Source: City of Albany permits, Johnson Economics LLC

FIGURE 3.4: AVERAGE ANNUAL CET REVENUE (HYPOTHETICAL), AT DIFFERING CET LEVELS



Source: City of Albany permits, Johnson Economics LLC

**Note:** The hypothetical revenue projections do not account for an exemption for the first \$50,000 of value.

Below are sample CET fees for a Residential CET rate of one percent (1%) and the Commercial CET (non-residential) at a rate of one and a half percent (1.5%).

- 1 percent tax on a 1,500 square foot dwelling unit with a permit value of \$280,000 - \$50,000 = \$2,300 fee
- 1 percent tax on 33-unit apartment building valued at \$1,250,000 - \$50,000 = \$12,000 fee
- 1.5 percent tax on 6,890 square foot commercial building valued at \$531,000 - \$50,000 = \$7,215 fee

**Direction:** Would the council like to keep the initial rates at 1 percent for the Residential CET and 1.5 percent for the Commercial CET?

- Local \$50,000 Exemption. **Direction:** Does the council still want to offer this local exemption for the first \$50,000 of the improvement value? Are there other exemptions the council wants to consider, such as projects receiving a Multi-Unit Property Tax Exemption?
- CET Effective Date. The December 11, 2024, ordinance had an effective date of March 15, 2025. **Direction:** What effective date would the council like to include in the Ordinance?

**Low Income Rental Housing Tax Exemption Program (LIRHTE).** This program authorized by ORS 307.515-307.535 allows a 20-year tax exemption for owners of new regulated rental housing serving low-income households generally at 60 percent or below the area median income (AMI), whether non-profit or for profit. The affordability period is at least 20 years, the length of the tax exemption, and the full value of the tax exemption must be passed on to renters by charging lower rents. The city may set an affordability period. However, most applicants will be seeking Low Income Housing Tax Credits (LIHTC) through the state and will have an affordability period of at least 60 years, which would be monitored by the state.

The program would go into effect once the ordinance adopting the provisions of ORS 307.515-307.535 is effective. If the recipient fails to comply with the housing affordability eligibility criteria, the exemption would be revoked, and the entity must repay the full amount of the exemption. The city council would review applications, if there are any, once a year. The program can be repealed at any time. The program enables the city to provide financial incentives to leverage deeply affordable housing without having to provide funding up front.

- Revenue Implications: The LIRHTE exemption would apply to both the land and improvement values. Attached are estimates of lost revenue projections over 20 years for two Albany multiple-dwelling unit developments. Example A, a 40-unit complex would result in lost city revenue of \$405,735 over 20 years, which is about \$507 per unit/year. Example B, a 147-unit complex built a few years later would result in lost revenue of \$2.2 million over 20 years, or about \$756 per unit/year.
- Other Housing Tax Abatement Programs: The City currently has the Non-Profit Housing Tax Exemption in place. The program is set to sunset in 2027 but may be continued by the legislature. This program similarly incentivizes affordable rental properties but is only available to nonprofits and requires annual renewal of the exemption. The HIP also recommends adopting the Multiple Unit Property Tax Exemption Program (MUPT), which provides an exemption on the housing improvements for up to ten years, to incentivize housing and public amenities near transit. Another new tool, the Oregon Moderate-Income Revolving Loan program (MIRL), previewed at the April 7, 2025, council work session, would also result in forgone taxes on improvements for about ten years. The differences in these two programs are that the tax abatement period is less, but the tool is not restricted to supporting housing that is affordable to households earning 80 percent or less of the AMI.

**Direction:** Does the council wish to consider the LIRHTE incentive affordable housing for households earning 60 percent of the AMI at this time?

### Strategic Plan Impact

The Housing Implementation Plan (HIP) was developed to identify strategies the city can take to address Albany's housing needs. Implementing strategies in the HIP, especially strategies to encourage the development of housing affordable to residents with lower incomes, supports the

strategic plan objective to “*Encourage diversified housing options for households of all income levels and sizes*” under the Great Neighborhoods theme.

**Budget/Staff Impact:**

Adopting the Housing CET will generate revenue that will be deposited in the Housing Fund to support housing needs. Revenue will vary annually and is determined by the rates set by council and the level of new construction activity; rough estimates range from \$185,000 to \$800,000 per year.

**Attachments:**

Attachments (5):

- 1: Draft CET Ordinance and AMC Language (CET)
- 2: Draft CET Rates Resolution (CET Rates)
- 3: 20-Year Revenue Projections (LIRHTE)
- 4: Draft LIRHTE Ordinance and Program Provisions (LIRHTE)
- 5: Public Testimony Received through December 11, 2024.





## ORDINANCE NO. \_\_\_\_\_

### AN ORDINANCE AMENDING THE ALBANY MUNICIPAL CODE (AMC) TITLE 3 BY CREATING CHAPTER 3.09 AND ENACTING A HOUSING CONSTRUCTION EXCISE TAX

WHEREAS, the 2016 Oregon Legislature authorized the governing body of a city or county to impose a construction excise tax on new construction to fund housing incentives and development programs through Senate Bill 1533 (2016), Oregon Revised Statutes (ORS) 320.170 to 320.195; and

WHEREAS, the Albany City Council appointed members to the Housing Affordability Task Force (HATF) in November of 2021, and the HATF met five times between 2022 and 2023 to review and prioritize strategies the City could consider to address Albany's housing needs as determined by the 2020 Housing and Residential Land Needs Assessment; and

WHEREAS, the recommended housing strategies were included in the Housing Implementation Plan (HIP), adopted on June 14, 2023; and

WHEREAS, the HIP recommended the Construction Excise Tax (CET) as a priority funding strategy to generate local revenue to support needed housing through a one-time tax on construction projects; and

WHEREAS, the City of Albany sought public input on this strategy in August and September of 2024 through office hours, focus groups, and public survey; and

WHEREAS, the Albany City Council held work sessions on August 4, September 30, and November 4, 2024, to consider the CET and other housing strategies; and

WHEREAS, the City of Albany published notice in the Albany Democrat Herald on November 26, 2024, of the Albany City Council December 11, 2024, public hearing on the proposed CET; and

WHEREAS, on December 11, 2024, and July 9, 2025, the Albany City Council held public hearings on the proposed housing CET, considered public comments, and then deliberated.

NOW, THEREFORE, THE PEOPLE OF THE CITY OF ALBANY DO ORDAIN AS FOLLOWS:

Section 1: That Albany Municipal Code Title 3 Revenue and Finance is hereby amended as provided in Exhibit A, adding a new Chapter 3.09, "Housing Construction Excise Tax".

Section 2: The Community Development staff shall provide reports for the City Council no less than every five years analyzing the impacts of the construction excise tax. The City Council may call for a public hearing to consider whether Chapter 3.09 should be amended or repealed.

Passed by the Council: \_\_\_\_\_

Approved by the Mayor: \_\_\_\_\_

Effective Date: \_\_\_\_\_

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Mayor

ATTEST:

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City Recorder

**Staff Comments:** A few clarifications recommended by the city building official and staff have been incorporated into this document – such as type of improvements would be subject to the Residential CET versus the Commercial CET to include adding a definition of “residential”, and a few other minor revisions to avoid confusion with the terminology used in the state building codes and the applicability of the CET, and clarifying ORS restrictions on uses of CET revenue.

## Chapter 3.09

### HOUSING CONSTRUCTION EXCISE TAX

#### Sections:

- 3.09.010 Purpose
- 3.09.020 Definitions
- 3.09.030 Imposition of Tax
- 3.09.040 Exemptions
- 3.09.050 Collection of Tax
- 3.09.060 Statement of Full Value of Improvement Required
- 3.09.070 Interest and Penalties
- 3.09.080 Refunds
- 3.09.090 Dedication of Revenues
- 3.09.100 Use of Revenue, Deed Restriction, and Annual Accounting
- 3.09.120 Administrative Fee
- 3.09.120 Appeal Procedure
- 3.09.130 Enforcement by Civil Penalty

#### **3.09.10 Purpose**

This chapter established a construction excise tax on construction improvements to provide funding for needed housing in the city.

#### **3.09.20 Definitions**

The following definitions apply in this chapter.

- (1) "Affordable housing" means a housing unit for which a person or household earning 80% or less of area median income would not pay more than 30% of their gross income for housing payments.
- (2) "Area Median Income" means the City of Albany median household income by household size as defined by the United State Department of Housing and Urban Development and published annually.
- (3) "City Manager" means the Albany City Manager or the Manager's designee.
- (4) "Commercial" means a structure designed or intended to be used for uses other than residential purposes, including commercial, industrial, institutional, civic and other non-residential uses, and the non-residential portions of mixed-use property.
- (5) "Community Development Department" means the Albany Community Development Department staff.
- (6) "Construct" or "Construction" means erecting, constructing, enlarging, altering, repairing, improving, or converting any building or structure that results in residential living or occupiable commercial space, for which the issuance of a building permit is required by Oregon law.

- (7) "Housing units guaranteed to be affordable" means a residential dwelling unit for which a deed restriction or contractual obligation guarantees that the housing will remain affordable under guidelines established by the United States Department of Housing and Urban Development, to households that earn no more than 80 percent of the median household income for the area in which the construction tax is imposed , for a period of at least 60 years following the date of construction of the residential housing.
- (8) "Improvement" means a permanent addition to, or modification of, real property resulting in a new structure, additional square footage to an existing structure, or addition or remodeling that adds living space to an existing structure.
- (9) "Net revenue" means revenues remaining after the administrative fees described in section 3.09.110 are deducted from the total construction excise tax collected.
- (10) "Residential" means a structure permitted to include living, sanitation, and sleeping spaces, as specified in the Oregon Building Code, and their accessory structures. Residential includes but is not limited to one- and two-dwelling structures, manufactured homes, townhouses, accessory dwelling units, triplexes and fourplexes, apartment units, cottage clusters, bed and breakfasts, group homes, assisted living facilities, residential care facilities, and residential treatment facilities; but does not include hotels and motels and other uses considered commercial in the Albany Development Code.
 

Added "Residential" definition.
- (11) "Structure" means something constructed or built and having a fixed base on or fixed to the ground or to another structure that adds living space for residential uses or occupiable space for commercial uses.
- (12) "Value of Improvement" means the total value of the structural improvement as determined by the International Code Council (ICC) construction valuation table during the process of issuing the building permit.
 

Specifying the improvement value is based on the ICC valuation table.

### **3.09.030 Imposition of Tax (ORS 320.189-320.192)**

The City Council shall set the percentage rate of the construction excise tax by resolution, in an amount not to exceed that permitted by state law. Unless subject to exemption under Section 3.09.040:

- (1) Each application for a building permit to construct Commercial improvements in the city shall be subject to the Commercial construction excise tax, in an amount based on a percentage of the full value of the improvement, as set by the City Council through resolution.
- (2) Each application for a building permit to construct Residential improvements in the city shall pay a Residential construction excise tax in an amount based on a percentage of the full value of the improvement, as set by the City Council through a resolution.
- (3) The Community Development Department shall calculate the amount of excise tax due under this Chapter based on the total value of all structural improvements associated with the project as calculated by the International Code Council (ICC) construction valuation table regardless of the number of separate building permits involved.

### **3.09.040 Exemptions**

- (1) The following are exempt from the Housing Construction Excise Tax by Oregon Revised Statutes (ORS 320.173):
  - (a) Private school improvements.
  - (b) Public improvements as defined in ORS 279A.010 (Definitions for Public Contracting Code).

- (c) Residential housing that is guaranteed to be affordable, under guidelines established by the United States Department of Housing and Urban Development, to households that earn no more than 80 percent of the median household income for the area in which the construction tax is imposed, for a period of at least 60 years following the date of construction of the residential housing.
  - (d) Public or private hospital improvements.
  - (e) Improvements to religious facilities primarily used for worship or education associated with worship.
  - (f) Agricultural buildings, agricultural grading and equine facilities, as defined in ORS 455.315.
  - (g) Facilities that are operated by a not-for-profit corporation and that are:
    - (i) Long term care facilities as defined in ORS 442.015,
    - (ii) Residential care facilities as defined in ORS 443.400, or
    - (iii) Continuing care retirement communities as defined in ORS 101.020.
  - (h) Residential housing being constructed on a lot or parcel of land to replace residential housing on the lot or parcel of land that was destroyed or damaged by wildfire or another event or circumstance that is the basis for a state of emergency declared under ORS 401.165 (Declaration of state of emergency) or 401.309 (Declaration of state of emergency by city or county) or for the exercise of authority under ORS 476.510 (Short title) to 476.610 (Payment of claims).
  - (i) Any improvements to buildings and facilities that are now or hereafter exempt under state law.
- (2) The following is also exempt from the CET:
- (a) The first \$50,000 of the value of the improvements for all building permits associated with the construction of improvements to each new or existing structure on the same property within a twelve-month period.
- (3) The Community Development Director may require any person seeking an exemption to demonstrate that the improvements associated with the building permit are eligible for exemption and to establish all the facts necessary to support the exemption.
- (4) If within 5 years of the certificate of occupancy for improvement to property receiving an exemption under this section no longer qualifies for the exemption due to a change of use or ownership, the seller of the property or owner of the property, shall be liable for the foregone tax revenue, interest and fees outlined below:
- (a) An amount equal to the applicable construction excise tax as identified on the issued building permit;
  - (b) Interest on the tax at an annual rate of 10 percent from the date of the exemption; and
  - (c) A late fee equal to 5 percent of total applicable taxes and interest owing under this section.

### **Section 3.09.050 Collection of Tax**

- (1) The construction excise tax shall be due and payable, and must be paid, prior to the issuance of any building permit as required by ORS 320.189.
- (2) The construction excise taxes may be paid by the owner of the subject property or any agent of the property owner authorized to apply for a building permit on the property owner's behalf.

**Section 3.09.060 Statement of Full Value of Improvement Required**

It is a violation of this Chapter for any person or legal entity to fail to state, or to understate, the full value of improvements to be constructed in the city in connection with an application for a building permit.

**Section 3.09.070 Interest and Penalties for Failure to Comply**

All amounts of construction excise tax not paid when due shall bear interest on the entire unpaid amount at the rate of 0.833 percent simple interest per month or fraction thereof (10 percent per annum), computed from the original due date to the 15<sup>th</sup> day of the month following the date of the payment. Interest amounts may not be waived.

A penalty of five percent of the underpayment of construction excise tax shall apply to:

- (1) Any underpayment due to the improvements constructed initially failing, or later ceasing, to be exempt affordable housing under section 3.09.040 (3) prior to expiration of the applicable income restriction period or failing to be an exempt use permitted under 3.09.040.
- (2) Any underpayment involving a failure to state or an understatement of the full value of improvements.

If not paid within ten days after billing all interest and penalties shall merge with and become part of the construction excise tax required to be paid under this Chapter. From the point of merger, the previously assessed interest and penalty become part of the tax due for calculation of interest and penalty for subsequent periods.

**Section 3.09.080 Refunds**

The City shall issue a refund to any person who has paid a construction excise tax the amount of the tax actually paid:

- (1) If the payer establishes that the tax was paid for improvements that were otherwise eligible for an exemption under section 3.09.040.
- (2) If the payer establishes that construction of the improvements has not commenced, and the associated building permit has been withdrawn or expired.
- (3) Upon determination by the City Manager or the Council that the amount of any construction excise tax, penalty, or interest has been erroneously collected or paid to the City under this Chapter.

The City Manager shall either refund all amounts due under this section within 30 days of a complete application for the refund or give written notice of the reasons why the application has been denied. Any request for a refund must be submitted within three years from the date of payment.

**Section 3.09.090 Dedication of Revenue**

Net revenues from the construction excise tax shall be deposited into the General Fund, then used or transferred in a manner required to meet the obligations set out for these revenues under state law and by city housing program guidelines.

**Section 3.09.100 Use of Revenue, Deed Restriction, and Annual Accounting (ORS 320.195)**

- (1) Residential CET Revenue Use: Except for the funds withheld for administrative costs under Section 3.09.110, all construction excise taxes levied upon Residential improvements shall be used in accordance with state law and as specified in subsections (a) through (c) below.



- (a) 50 percent must be used to fund developer incentives for housing pursuant to ORS 197.309(5)(c) and (d) and 197.309(7). Incentives include but are not limited to whole or partial fee or systems development charge reductions, land acquisition, finance-based incentives, and/or public improvements associated with housing;
- (b) 35 percent may be used flexibly to fund developer incentives as described in (1)(a) of this section and affordable housing programs as defined by the City, to include down-payment assistance for homeowners, rent buy-downs and subsidies, and/or foreclosure prevention assistance; and
- (c) 15 percent to Oregon Housing and Community Services to fund home ownership down payment assistance programs for households earning 100% or less of AMI.
- (2) Commercial CET Revenue Use: Except for the funds withheld for administrative costs under Section 3.09.110, the construction excise taxes levied upon Commercial improvements shall be used to fund programs related to housing as defined by the City.
- (3) The Community Development Director will provide the City Council with an annual accounting, based on the city's fiscal year, for construction excise taxes collected and the projects funded from each account in the previous fiscal year.
- (a) ORS does not require developer incentives be restricted to affordable housing.

(b) ORS allows city to define affordable housing programs.
- Adding specific OHCS program requirements.
- NOTE: ORS 320.195 requires 50% of **commercial CET revenue** be used for housing programs; 50% is unrestricted. Based on the consultant report, housing needs, research of other cities' programs, and conversations with council, it is recommended ALL funds be use for programs RELATED to housing - this could include mixed use developments, utilities or infrastructure for a project with housing, etc.

### Section 3.09.110 Administrative Fee

As authorized by ORS 320.195, the City shall receive an administrative fee equal to four percent of the gross construction excise taxes, without regard to the subsequent reductions due to refunds, failed payments, or similar reductions.

The city shall deduct the administrative fees directly from the collected CET.

The city may recover from the construction excise taxes, any banking fees or penalties that arise from the collection of construction excise taxes such as returned check charges.

### Section 3.09.120 Appeals

- (1) Any written determination issued by the Community Development Department applying the provisions of this Chapter believed to be in error, may be reviewed by the City Manager if the recipient requests review in writing delivered to the City Manager within ten days after receipt of the written determination together with all documentation required to support the request.
- (2) Any written determination from the City Manager applying the provisions of this Chapter regarding liability for payment of construction excise taxes may be appealed to the Council by filing a notice of appeal with the City Manager's office within 10 days of receiving the City Manager's written determination. The City shall determine a date and time for the City Council to hear said appeal. Action by the City Council on appeals shall be decided by a majority of the members of the Council present at the meeting where such an appeal is considered.
- (3) The filing of any appeal shall not stay the effectiveness of the written determination unless the Council so directs.

**Section 3.09.130 Enforcement by Civil Action**

The construction excise tax, and any assessed interest and penalties due and owing under this Chapter constitutes a debt owing to the City by the person liable for the tax as set forth in Section 3.09.030.



## RESOLUTION NO. \_\_\_\_\_

A RESOLUTION SETTING THE TAX RATES FOR A HOUSING CONSTRUCTION EXCISE TAX (CET) RELATED TO ALBANY MUNICIPAL CODE SECTION 3.09.030, "IMPOSITION OF TAX"

WHEREAS, the 2016 Oregon Legislature authorized the governing body of a city or county to impose a construction excise tax on new construction to fund affordable housing incentives and housing development programs through Senate Bill 1533 (2016), Oregon Revised Statutes (ORS) 320.170 to 320.195; and

WHEREAS, the City adopted the Housing Implementation Plan (HIP) on June 14, 2023, that recommends the Council Consider adopting a CET to generate local revenue to fund needed housing; and

WHEREAS, the City enacted Section 3.09 of the Albany Municipal Code by Ordinance No. \_\_\_\_\_ to enact the CET program; and

WHEREAS, Oregon Law provides that the local government imposing the affordable housing CET may retain four percent of the CET revenues as a fee for administering the tax; and

WHEREAS, Oregon law allows the rate of the construction excise tax on residential construction to be one percent of the permit value of the construction, but imposes no limit on the rate of the CET on commercial and industrial construction; and

WHEREAS, on November 26, 2024, the City of Albany advertised the December 11, 2024, public hearing on the proposed housing CET; and

WHEREAS, the Albany City Council held public hearings on December 11, 2024, and July 9, 2025, on the Housing CET and comments were considered.

NOW, THEREFORE, BE IT RESOLVED by the Albany City Council that the rate of taxation under the Albany Municipal Code Section 3.09 shall be \_\_\_\_\_ percent for the construction of residential improvements (Residential CET), and \_\_\_\_\_ percent for the tax on non-residential improvements (Commercial CET).

DATED AND EFFECTIVE THIS \_\_TH DAY OF \_\_\_\_2025.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Recorder

**A. 321 & 333 hickory St NW, Sunset Village****40 units on 2.57 acres, zoned MUC, constructed in 2020**

VALUES	2019	2020	2021	2022	2023	2024			
RMV Land	2,015,082	2910674	2,686,776	2,686,776	2,686,776	2,686,776			
RMV Structures	0	3,792,991	4,054,203	4,619,107	5,331,900	5,297,386			
Total RMV	2,015,082	6,703,665	6,740,979	7,305,883	8,018,676	7,984,162			
AV	233,049	1,867,233	1,923,250	1,980,948	2,040,376	2,101,587			
TAX TOTAL	4,268	34,126.57	34,761.03	36,705.44	37,266.09	38,354.51			
% of RMV	12%	28%	29%	27%	25%	26%			
TAX BREAKDOWN	2019	2020	2021	2022	2023	2024	3% Increase/Yr	TOTALs 40 UNITS	
Albany	1,406.47	11220.21	11,533.54	11,838.34	12,142.29	12,540.80	19538.16	299,517.80	Albany
Albany public safety levy	268.01	2147.32	2,211.74	2,278.09	2,346.43	2,416.93	3765.50	57,701.35	Albany safety
Albany Urban Renewal	191.76	1642.41	1,718.99	1,923.90	2,060.16	2,042.53	3182.20	48,516.49	Albany Urban Renewal
Albany Total	1,866.24	15,009.94	15,464.27	16,040.33	16,548.88	17,000.26	26,485.85	405,735.64	\$20,286.78 avg/yr \$507.17 unit/yr avg
Benton county	513.92	4117.62	4,241.15	4,368.39	4,499.44	4,634.42	7220.28	110,642.05	Benton county
Benton County LOC OP 2018	209.74	1680.51	1730.93	1,782.85	1,836.34	168.13	261.94	10,419.61	Benton LOC OP 2018
Benton Extension	18.64	149.38	153.86	158.48	163.23	168.13	261.94	4,013.93	Benton Extension
Benton Co Soil & Water	11.65	93.36	96.16	99.05	102.02	105.08	163.71	2,508.68	Benton Co Soil & Water
Benton Total	753.95	6040.87	6,222.10	6,408.77	6,601.03	5,075.76	7,907.87	127,584.26	\$6,379.21 avg/yr
LBL ESD	67/02	534.78	549.66	564.17	578.65	597.69	931.18	14,274.83	LBL ESD
LBCC	110.33	880.21	904.89	928.67	952.45	983.75	1532.65	23,495.55	LBCC
GAPS	1007.96	8041.05	8265.75	8,484.00	8,702.00	8,987.65	14002.47	214,655.79	GAPS
Albany Bond	63.79	498.02	469.27	475.23	488.06	491.35	765.51	11,834.66	Albany Bond
LBCC Bond 1	37.26	296.7	297.14	300.31	296.87	303.89	473.45	7,316.49	LBCC Bond 1
LBCC Bond 2	0	0	0	119.45	118.34	134.71	209.87	2,953.12	LBCC Bond 2
Gaps Bond 2017	492.95	3879.56	3,663.03	4,519.73	4,132.37	4,242.47	6609.63	101,709.65	Gaps Bond 2017

**B. Somerset Place Apartments, 350 Timber Ridget St NE**  
**147 units on 15 acres, zoned RM**

VALUES	2020	2021	2022	2023	2024				
RMV Land				1,451,370	2,562,420				
RMV Structures				21,679,000	25,649,200				
AV				10,706,050	11,027,220				
TAX TOTAL	8,671.48	197,640.77	206,284.01	209,296.63	215,341.37				
% of RMV				46%	39%				
								2021-2040	
TAX BREAKDOWN	3% less	3% less	3% less	ACTUAL	3% Annual Increase			TOTALs	
Albany	2634.97	60056.37	61913.79	63828.65	65,802.73	67776.81	105594.06	1,617,770.69	Albany
Albany LOC safety	462.96	11573.97	11931.93	12300.96	12,681.40	13061.84	20349.92	311,774.26	Albany safety
Albany urban renewal	436.99	10924.74	11262.62	11610.95	11,970.05	12329.15	19208.42	294,285.60	Albany CARA
Albany Total	3534.92	82,555.09	85,108.34	87,740.55	90,454.18	93,167.81	145,152.41	2,223,830.56	\$111,191.53 avg/yr \$756.40 unit/yr avg
Linn County	469.36	11733.91	12096.81	12470.94	12,856.64	13242.34	20631.13	316,082.56	Linn county
Linn County LOC OP	1199.66	29991.46	30919.03	31875.29	32,861.12	33846.95	52732.45	807,895.92	LinnLOC OP
4-H Extension	25.80	645.11	665.07	685.63	706.84	728.05	1134.27	17,377.78	4-H Exten
Linn county total	1694.82	42370.48	43680.91	45031.86	46424.60	47817.34	\$74,497.85	\$1,141,356.25	\$57,067.81 avg/yr \$388.22 per unit/yr
ESD	114.49	2862.27	2950.79	3042.06	3,136.14	3230.22	5032.58	77,102.51	ESD
LBCC	188.44	4711.07	4856.78	5006.98	5,161.84	5316.70	8283.24	126,904.67	LBCC
GAPS	1721.63	43040.76	44371.91	45744.24	47,159.01	48573.78	75676.37	1,159,411.84	GAPS
Albany Bond	94.12	2353.02	2425.79	2500.82	2,578.16	2655.50	4137.19	63,384.48	Albany Bond
LBCC Bond 1	58.21	1455.29	1500.30	1546.70	1,594.54	1642.38	2558.77	39,202.02	LBCC Bond 1
LBCC Bond 2022	25.80	645.11	665.07	685.63	706.84	728.05	1134.27	17,377.78	LBCC Bd 2022
Gaps Bond 2017	812.65	20316.33	20944.67	21592.44	22,260.25	22928.06	35721.17	547,271.82	Gaps Bd 2017
Grand Prairie 2B	92.20	2305.00	2376.29	2449.78	2,525.55	2601.32	4052.77	62,091.05	Grand Prairie 2B



## ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE ADOPTING THE PROVISIONS OF OREGON REVISED STATUTES (ORS) SECTIONS 303.515 THROUGH 307.535 TO ESTABLISH A LOW-INCOME RENTAL HOUSING PROPERTY TAX EXEMPTION

WHEREAS, the 2020 Albany Housing and Residential Land Needs Assessment noted there is a need for more affordable housing and other housing types within the city limits and the City wishes to encourage the development of affordable and needed housing within Albany's city limits; and

WHEREAS, and City adopted the Housing Implementation Plan (HIP) on June 14, 2023, that recommends the Albany City Council consider adopting a policy to use property tax exemptions to encourage affordable housing; and

WHEREAS, the Oregon Legislature authorizes a city or county to exempt property taxes for new low-income rental housing developments through Oregon Revised Statute (ORS) 307.515; and

WHEREAS, for purposes of the low-income property tax exemption, the definition of "low-income" shall be that in ORS 307.515; and

WHEREAS, the property tax exemption is limited to the tax levy of the taxing district in which the property applying for exemption is located and they adopt ORS 307.515 to 307.523 at the time of application, except that if the combined rate of taxation of the governing bodies that adopt the provisions of ORS 307.515 to 307.523 equal 51 percent or more of the total combined rate of taxation, then a full exemption shall be granted; and

WHEREAS, on November 26, 2024, the City of Albany advertised the December 11, 2024, public hearing on the proposed Low Income Rental Housing Tax Exemption program; and

WHEREAS, the Albany City Council held a public hearing on December 11, 2024, on the Low Income Rental Property Tax Exemption policy and comments were considered; and

WHEREAS, the Albany City Council must approve applications for tax exemption in accordance with ORS 307.515 to 307.535.

NOW, THEREFORE, THE PEOPLE OF THE CITY OF ALBANY DO ORDAIN AS FOLLOWS:

Section 1: The provisions of Oregon Revised Statutes (ORS) Sections 307.515 through 307.535 are hereby adopted as provided in Exhibit A.

Passed by the Council: \_\_\_\_\_

Approved by the Mayor: \_\_\_\_\_

Effective Date: \_\_\_\_\_

\_\_\_\_\_  
Mayor



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ATTEST:

\_\_\_\_\_  
City Recorder

## Low Income Rental Housing Tax Abatement Program

### ORS 307.515- 307.535

#### Definitions (ORS 307.515)

1. *AMI or Area Median Income.* The area median income as determined by the State Housing Council based on information from the United States Department of Housing and Urban Development.
2. *Community Development Director.* The Community Development Director of the City of Albany, or the Community Development Director's designee.
3. *Low-income.* Low income means household income at or below 60 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development;
  - (a) For the initial year that persons occupy property for which an application for exemption is filed under ORS 307.521, household income is at or below 60 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development; and
  - (b) For every subsequent consecutive year that the household occupies the property, income is at or below 80 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development; or
  - (c) For housing units on property that is awarded tax credits through the Federal low-income housing tax credit program and is a qualified low-income housing project meeting the requirements of 26 U.S.C. 42(g)(1)(C), persons with income at or below 80 percent of the area median income as determined by the Oregon Housing Stability Council based on information from the United States Department of Housing and Urban Development, provided the average area median income of all housing units on the property is at or
4. *Qualified rental housing.* A property or portion of a property that is offered for rent solely as a residence for low-income persons.

#### Criteria for Exemption (ORS 307.515-307.518)

1. To be eligible for the Low Income Rental Housing Property Tax Exemption, properties or portion of a property(ies) must meet the following criteria as provided in ORS 307.515 through 307.523.
  - a. Property is located within the limits of the City of Albany;
  - b. The housing units on the property were constructed after the City enacted this program;
  - c. The property is offered for rent solely as a residence for low-income purposes or is or held for the purpose of developing qualified rental housing within the next twelve months.
  - d. If occupied, the property is occupied solely by low-income people. Property will be deemed to be occupied by low-income people if it is made available and reserved exclusively for low-income people and has been occupied by a low-income person within the last six months. Only that portion of the real property and improvements located thereon that is occupied by low-income people will be eligible property.

- e. Property must be offered for rent to qualified low-income households for a period of no less than 20 years. If vacant, the unit(s) must be offered for rent only to qualified low-income households. The affordability period starts when the project is first occupied.
2. The full value of the property tax exemption must be fully passed on to renters by charging lower rent.
3. The tax exemption on the property must be approved by the City Council in accordance with the provisions of ORS 307.515–535.
4. The application for tax exemption under this ordinance must have been filed before July 1, 2030.
5. Eligible units are constructed after adoption of this program by Albany City Council.
6. For the purposes of this tax exemption, a person that has only a leasehold interest in property is deemed to be a purchaser of that property if:
  - (a) The person is obligated under the terms of the lease to pay the ad valorem taxes on the real and personal property used in this activity on that property; or
  - (b) The rent payable has been established to reflect the savings resulting from the exemption.

#### **Property Tax Exemption (ORS 307.519)**

1. Except as provided in subsection (2) of this section, the exemptions granted under ORS 307.515 apply only to the tax levy of the City.
2. The exemption granted under ORS 307.515 apply to the tax levy of all taxing districts in which property certified for exemption is located if, upon request of the City, the rates of taxation of such taxing districts whose governing boards agree to the policy of exemption under ORS 307.515 through 307.523, when combined with the rate of taxation of the City, equal 51 percent or more of the total combined rate of taxation on the property granted exemption.
3. Property tax exemptions approved under this chapter will be for a period of 20 years.
4. Applications for property tax exemption under this policy are eligible for property tax exemptions for tax years beginning on or after July 1, 2024.

#### **Application for Exemption (ORS 307.521)**

1. A person seeking the exemption granted under ORS 307.515 to 307.523 must file an application for exemption with the City of Albany Community Development Director on a form provided by the City of Albany.
2. The application must include the following information, as applicable:
  - (a) The applicant's name, address, and contact information
  - (b) A description of the property or a portion of the property for which the exemption is requested;
  - (c) A description of the purpose of the project and whether all of a property or a portion of the property is being used for that purpose;
  - (d) If only a portion of the property is eligible, a description of the eligible portion of the property for which the exemption is requested, including the number of affordable housing units;
  - (e) A certification of income levels of low income occupants;
  - (f) A description of how the tax exemption will benefit project residents;

- (g) If the exemption is an exemption described in ORS 307.518, evidence satisfactory to the governing body that the corporation is a nonprofit corporation and meets the criteria for a public benefit corporation or a religious corporation;
  - (h) A description of the plans for development of the property if the property is being held for future low-income rental housing development; and
  - (i) A list of secured lien-holds with addresses of the lienholders; and
  - (j) Such other information as requested by the City of Albany.
3. The applicant shall verify the information in the application by oath or affirmation.
  4. Applications must be filed on or before December 1 of the calendar year immediately preceding the first assessment year for which exemption is requested and must be accompanied by the application fee required by the City. However, if the property is acquired after November 1, the application must be made within 30 days after the acquisition.
  5. An application which does not contain all the information required by this section and/or is not accompanied by payment of the proper fees will be returned. Any application returned for these reasons will be deemed to have not been filed.

#### **Review of Application (ORS 307.521)**

1. The Community Development Director will process each complete application and make a written recommendation to the City Council in sufficient time to allow the Council to take final action within 30 days of the filing of the application. Upon receipt of the Community Development Director's recommendation for approval or denial, the Council will consider the application and determine if the applicant qualifies for the exemption. Within 30 days of the filing of the application, the Council must adopt a resolution approving or denying the application.
2. Council will review the staff's findings and recommendation and determine whether or not to grant the exemption. Staff will also coordinate with other taxing districts to gain their support and approval. If there is the support of 51% of the taxing districts and Council approves the Exemption, a resolution will be adopted containing the owner's name and address, a description of the housing unit, either the legal description of the property or the county assessor's property account number, any specific conditions upon which the approval of the application is based and if only a portion of the property is approved, a description of the portion that is approved.
3. A resolution approving an application must contain findings on the criteria for approval and must certify to the Linn County or Benton County tax assessor that all or a portion of the property for which the application was made is exempt from the ad valorem property tax levy of the City of Albany.
4. If the application is denied, the City will state in writing the reasons for denial and send the notice of denial to the applicant within 10 days after the denial. The notice will inform the applicant of the right to appeal under.
5. Following approval, the City will file with the Linn County or Benton County assessor, as applicable, and send to the applicant a copy of the resolution approving the application. If the application is approved, the copy of the resolution will contain or be accompanied by a notice explaining the grounds for possible termination of the exemption prior to the end of the exemption period or thereafter, and the effects of termination. In addition, the City will file with the county assessor a document listing the same information otherwise required to be in a resolution as to each application deemed approved.

## Requirements of Properties Granted Tax Exemption

1. Recipients of the property tax exemption will provide a report demonstrating compliance with the affordability requirements annually for the duration of the 20-year property tax exemption period. If the property qualifies for the property tax exemption while being held for the purpose of developing low-income housing, reporting will be required for the twenty years following the construction of the affordable rental housing units to demonstrate compliance.

## Termination (ORS 307.530)

An exemption granted under ORS 307.515 to 307.523 shall be immediately terminated and additional taxes imposed as provided in ORS 307.531 if the exempt property is:

1. Is used for any purpose other than the provision of low income rental housing; or
2. Being held for future development of low-income rental housing and is used for any purpose other than the provision of low income rental housing.



1142 Willagillespie Road #30, Eugene, OR 97401 / PO Box 50171 Eugene, OR 97405

November 1, 2024

Community Development-Planning  
City of Albany  
c/o Beth Freeland, Planner II  
333 Broadalbin St. SW  
Albany, OR 97321

Sent via email: [Beth.Freeland@albanyoregon.gov](mailto:Beth.Freeland@albanyoregon.gov)

RE: **Housing Implementation Plan**

Ms. Freeland:

I am corresponding today in my capacity as Executive Officer of the Western Oregon Builders Association (WOBA), wanting to reach out in advance of and submit for inclusion in the public testimony portion of the upcoming hearing, our association's opinion on the Construction Excise Tax (CET).

Aside from no mention as to whether future increases, parameters or caps apply to the proposed tax, WOBA's objection to this proposal is that it comes at a time when fees for permits and Systems Development Charges (SDC) across the board have been increasing. And while there has been discussion about deferring SDC's until occupancy is certified, the September 30 published report disseminated is void of any mention of the SDC deferral.

Specific to the CET, 1% is not an insignificant number given the rising costs making homes less affordable. In the end consumers, home buyers, will pay the added cost of the CET whether they are purchasing a newly built home or an existing one. And the reason for that is because the two compete against each other in the market. Similarly, one could presume that rents will also increase in response to another tax.



In summary, given the rapid rise in permits and SDC's and limited detail on the proposed, WOBA cannot support the CET, even though we understand it's suggested intent to support affordable housing and developer incentives.

Regards,

*Dan*

Dan Revell

Executive Officer



P: (541) 484-5352

[www.westernoregonbuildersassociation.com](http://www.westernoregonbuildersassociation.com)



DEVELOPING THRIVING COMMUNITIES

11/22/2024

Albany City Council  
333 Broadalbin St SW  
Albany, OR 97321

Re: Letter of Support for housing-related policy proposals (12/11 Council Meeting)

Dear Mayor Johnson and City Councilors,

I am writing to offer DevNW's support for the slate of housing production-related policy proposals, including the surplus property policy, Construction Excise Tax (CET) and LIRPTE programs, on Council's agenda.

DevNW is a nonprofit affordable housing developer – of both rental and homes for ownership - and an asset building organization providing financial, rental and pre-purchase education and counseling, coupled with financial resources such as downpayment assistance. Our goal is to create financial stability and generational wealth building opportunities by supporting many low- and moderate-income families to become first-time homebuyers, start small businesses, earn college degrees, or other activities that offer a long term pathway out of poverty.

As a housing developer, we see firsthand the barriers to creating affordable housing throughout our communities, with the supply of buildable land being one of the most prominent. Having access to land through a supportive partner like the City of Albany, one who understands the requirements and timeline of building affordable housing, is critically important to moving projects forward. Many private sellers are unable, or unwilling, to allow land to be held with site control as financing is secured through state or federal channels to accomplish affordable development.

The implementation of a CET is an excellent local commitment to affordable housing development. Funding from a CET supports multiple pathways to develop housing, from pre-development to capital funds, and can be a flexible tool to meet specific housing goals and



**DEVELOPING THRIVING COMMUNITIES**

needs within Albany. In our experience, this local funding source has the power to leverage state, federal and private funding, often by factors of 5:1, 8:1 or even 10:1.

We also support the inclusion of tax exemptions like LRPTE as it expands the tools available to a community to spur affordable housing development throughout the continuum.

We applaud the work of staff within the City of Albany to think carefully and creatively about a wide breadth of local actions that can increase affordable housing development, from rental to ownership, and are thrilled to lend our support for the slate of housing-related policy proposals. We have seen Council's support of these ideas in past discussions, and we encourage you to pass the full slate presented at this meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Emily Reiman".

Emily Reiman, CEO

## Catlin, Anne

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**From:** maps@highdeftrains.com  
**Sent:** Wednesday, December 11, 2024 11:58 AM  
**To:** Catlin, Anne  
**Subject:** Written testimony for tonight's hearing on CET and Surplus Property

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

[WARNING! This email came from outside our organization. Do NOT click unknown attachments or links in email.]

Dear Albany City Council,

I am in favor of the CET to support affordable housing. However I feel it should not be a flat tax but based upwards for more expensive housing. I support not taxing the first 100k (change 3.09.040(2)(a) from 50k to 100k), and then having a graduated tax after that so more expensive luxury homes have a higher CET % than smaller entry level housing. I am against 3.09.040(1)(e), the exemption for religious organizations. Either all 501c3 organizations should be exempt or else 3.09.040(1)(e) should be removed. Otherwise it's a violation of equal protection under the law, favoring religious non-profits over non-religious ones, as well as a violation of the establishment clause of the 1st Amendment.

For surplus city property, it should only be considered for sale if there is no current or proposed future use that benefits the public either through the city itself or a private non-profit, and the sale is under an affordable housing covenant. Otherwise we are just subsidizing developer's short term profit at the public's expense.

Regards,  
Camron Settlemier  
230 7th Ave SW  
Albany, Oregon

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**From:** [Admin](#)  
**To:** [CD AA](#)  
**Subject:** written comment submission for 12-11-2024 Council Meeting  
**Date:** Tuesday, December 10, 2024 4:58:02 PM  
**Attachments:** [Albany CET 12-11-24.pdf](#)

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Due to a scheduling conflict, I may not be able to make the hearing tomorrow night but we wanted to make certain our position was reinforced on this particular issue.

Thank You,

*Dan*

Dan Revell  
Executive Officer



P: (541) 484-5352

[www.westernoregonbuildersassociation.com](http://www.westernoregonbuildersassociation.com)

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1142 Willagilespie Road #30, Eugene, OR 97401 / PO Box 50171 Eugene, OR 97405

December 10, 2024

Albany City Council  
333 Broadalbin St. SW  
Albany, OR 97321

**Re: December 11, 2024 Council Meeting; Construction Excise Tax proposal.**

Mayor Johnson & Councilors:

In response to City of Albany's proposed implementation of a construction excise tax (CET), the Western Oregon Builders Association (WOBA), a non-profit trade organization comprised of more than 200 residential and commercial contractors, developers, and trade partner members across Linn, Benton and Lane Counties, reiterates opposition to the CET proposal. Our position remains that creating a tax on new construction for the purpose of producing affordable housing is counterintuitive and the tax will result in increased costs for new and existing housing purchases as well as adversely impact rental rates. Furthermore, inclusion of a provision for future discretionary tax increases with no established guardrails assures an added component to increased home pricing going forward.

In an effort to be proactive, WOBA could support initiatives to encourage more housing production and enhance affordability. Such as:

- Reduced lot sizes and setbacks for single-family and multiplex units including townhouses, rowhouses and tandem homes.
- Reduce or remove altogether the requirement for private open space when developing multi-dwelling projects.
- Implement a flat permit fee for Accessory Dwelling Units while also eliminating development fees including for those units that are not single room occupancy.

Should City of Albany move forward with a CET, WOBA would support a recommendation to commit 50% of the Commercial/Industrial CET to further incentivize and support a variety of housing options including market rate housing.



While WOBA fully appreciates the intent, with permit and SDC costs having rapidly risen for items like stormwater and wastewater across various jurisdictions the concept of “affordable” housing in Oregon is essentially non-existent today. When purchasing requires subsidies from the public and/or private sectors that means you technically cannot afford to buy something. Elevated costs for permits, SDC’s and introduction of new taxes contribute to lack of affordability. And that is why WOBA cannot support this CET.

Regards,

*Dan*

Dan Revell

Executive Officer

Western Oregon Builders Association

[admin@wobuildersassoc.com](mailto:admin@wobuildersassoc.com)

(541) 484-5352

[www.westernoregonbuildersassociation.com](http://www.westernoregonbuildersassociation.com)

**From:** [John Robinson](#)  
**To:** [CD AA](#)  
**Subject:** Testimony for public hearing on 12-11-24 Housing Policies  
**Date:** Sunday, December 8, 2024 10:04:04 PM  
**Attachments:** [Albany Public Hearing 12-11-24 Housing Policies testimony.pdf](#)

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Please include in package to council.

Thanks,

John Robinson

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December 8, 2024

City of Albany

Written testimony

Housing Policies Public Hearing, Dec. 11, 2024

I am a general contractor in Albany operating my business for the last 19 years. I have participated in various focus groups held by the city to discuss and provide input into solutions to increase housing affordability. I am an advocate for more ADU's and middle housing. I support the cities efforts at revising the development code to increase building options, make it easier to build and reducing the cost to build.

I must however object to the Construction Excise Tax (CET) and the 20-year Low Income Rental Housing Tax Exemption (LIRHTE).

The CET is a tax that drives up the cost of one form of housing to supposedly fund and/or incentivize affordable housing. In my opinion it is a Robinhood tax that takes from one group of people to give to another group of people with the government in charge of overseeing those efforts. State law mandates that 15% of the funds go directly to the Oregon Housing & Community Services for downpayment assistance for home ownership. Local government is allowed to keep 4% to manage the program. Albany further defines that 50% must be used for specific developer incentives with another 35% funding other programs like rent buy-downs and subsidies and foreclosure prevention assistance. So clearly only 50% of the money collected is going to go to incentivize the new construction of affordable housing. Collect a million dollars annually and you actually only have \$500,000 to sprinkle over projects to increase affordable housing. And the city gets to choose which projects get the money picking winners and losers in the process. Anybody taking the money has to agree to a 60-year deed restriction to maintain the units as affordable.

I did a remodel for a client in Corvallis that was \$100,000 and the CET tax was \$1,000, not an insignificant amount of money. Another of my objections is that this tax is not deductible on someone's income tax. Had my client made a direct contribution to a non-profit group like Habitat for Humanity to support affordable housing his \$1,000 would be tax deductible. The city thru the CET tax is forcing people to contribute to a specific cause without any direct tax benefit back to the taxpayer.

Simply put this is theft of money by passing an ordinance. We already have a CET tax for public schools that likewise increases the cost of housing. When is enough actually enough? When will the city realize simple economic principals that housing costs will increase every time there is a new tax or fee? If you really want to lower the cost of housing then you need to eliminate or reduce the city fees- not pile them on.

The city of Newberg actually repealed their CET tax in 2023 pending the cancelation of 12 new housing units by a builder who cited the 60-year deed restrictions and cost of paying the CET as reasons for the cancelation.

Next is the Low-Income Rental Housing Tax Exemption proposal. The first thing that is missing here is the city has failed to provide any estimates as to the dollar amount of tax revenue that the city will not collect for 20 years on the affordable housing. At a time when the city is adding another fee to just

maintain our current streets it seems irresponsible to be giving away 20 years' worth of property taxes. My question is- how does the city plan to backfill this shortfall in revenue?

In 2022 I researched a Corvallis project that was proposed for 174 units of affordable rental apartments that the City of Corvallis provided \$500,000 to along with a 30-year property tax exemption. I estimated that the city would be losing between \$10 million to \$15 million dollars over the 30-year period. I even wrote an opinion piece discussing this that was published in the newspaper. I believe the proper term we should be using is "subsidized housing" not "affordable housing".

At any rate what is happening is a class of people is being created that live in our community but do not pay for any of the services they use. The multi-million dollars of lost property tax will cause budget shortfalls in every city department: schools, parks, library, police, fire, roads, you name it, everything.

Lest you think this is all fear mongering, allow me to provide a real-world example from Portland on the financial devastation of exempted property taxes to support "affordable housing".

I would urge you to read an article from Street Roots from August 14 of this year on how the City of Portland does not know how much money they have given away trying to stimulate affordable housing. The Portland Housing Bureau (PHB) through the Inclusionary Housing (IH) program provides incentives in the form of exempted property taxes, waived SDC fees and waived CET fees. The short answer is that the City of Portland does not know how much revenue they are forgoing because they are not tracking it. This was brought to light after Street Roots newspaper submitted 4 public record requests and over 33 email exchanges. PHB finally admitted that they do not have the data and it would cost upwards of \$10,000 to create the data. PHB did provide low end estimates that over the 10-year property tax exemption they would lose revenue of \$129 to \$135 million dollars on the current projects. The IH program so far has created 1,760 "affordable" units of which 30% or 515 units are rented within \$6 a month of the "fair market rate". Think about that for a moment, \$6 a month in lower rent is solving the housing affordability problem? And the cost to the city and taxpayers is millions of dollars in lost revenue over 10 years. Only 375 of the 1,760 units had two or more bedrooms, which are considered family sized units. Additionally, a city auditor found that the program fell short of its goal to build affordable housing and that the PHB is 2 years behind in reviewing compliance data on IH units.

Simply put this is irresponsible government. Why would we want to bring this to Albany?

Passing this proposal to provide property tax exemptions over 20 years is effectively kicking the can down the road and creating future budget problems for the City of Albany. By that time there will be a different council and mayor and those individuals will be wondering what you were thinking when you approved this. They will be forced to make cuts in city services or create multiple bonds to cover the multimillion-dollar shortfall just to operate the city. Is that the future you want to leave to your children and grandchildren? Is that the footnote in history you want next to your name?

Housing affordability is a real problem, but increasing the cost of housing through a CET tax and giving 20-year property tax exemptions is not the solution. I strongly urge you to vote NO on the CET tax and the 20-year low-income rental housing tax exemption. Passing these two policies is irresponsible government and will do little to increase the supply of more affordable housing or lower rents.

  
John Robinson  
2500 Del Rio CT SE  
Albany, OR 97322



**From:** [Richard Vannice](#)  
**To:** [CD AA](#)  
**Subject:** Development code  
**Date:** Sunday, December 8, 2024 9:15:38 AM

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The biggest objection I have to these changes is the forgiveness of taxes for 20 years! The City, at this time, does not have money to pay for existing needed repairs on streets that are in horrible condition because "there is no money". Other problems that are going to cost the city (tax payer) are the recent closure of Talking Waters. If all these "new homes" are built they will be contributing to the need for sewage disposal. How long is the present system going to be adequate?

Schools need funding, police and fire, parks, all needing funding and new residents will all need service from these departments.

Letting 20 years of no taxes as an incentive is NOT GOOD BUSINESS NOR MANAGEMENT.

Respectfully

Richard Vannice

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**From:** [T. Mont](#)  
**To:** [CD AA](#)  
**Subject:** Housing Implementation Plan  
**Date:** Tuesday, December 10, 2024 7:44:57 PM

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Hi!

I received the flyer regarding the plan in the mail this week - and I'll say: It's about time!

As a 59 year old single person, recently disabled & mostly wheelchair bound, I would have loved a tiny home of 500-700 sf, when I bought my 1 story 1000 sf home, but there just aren't any. I know I'm taking up a house that should have at least a couple or small family in it. At this point, I don't want/need all the space - or the maintenance, taxes, etc. While it's somewhat wheelchair accessible inside, I don't know when I'll be able to get a ramp installed, so I'm completely housebound. I can't even get down the street to my mailbox.

Smaller places, like apartments, are too expensive and closed in, with "amenities" I'd never use; I can't rent, since I don't have a verifiable income anyway. My mortgage is less than most rents in decent places. I've seen some old (1970-1980's) single wide 1-2BR/1BA in 55+ parks, but while many have ramps, the bedrooms/baths are not easily accessible with a wheelchair. Some of the lot/space rents are extremely high, and the "rules/restrictions" and additional fees/penalties are very unfair or restrictive for some. No way I can make sure my front yard is weed-free, or is landscaped a specific way.

Waiting lists for HUD housing in town are 2-5 years at least, and have very few accessible units. I also need as much quiet as I can get, and having lived in apartments on & off in my life, I can no longer tolerate neighbors who have little regard for the noise they constantly generate.

Albany has needed affordable, accessible housing since I moved here in 2008 with my daughter. The idea of cottage clusters is great - I'd love something like that, where it's my property/no or little rent, especially something for seniors/disabled who are still able to live independently. As I'm facing either living on disability (and then I'll lose my OHP/SNAP) or becoming homeless when my savings run out & having to move from hotel to hotel in town, I'd love to see more options open for anyone in a situation similar to mine, who doesn't have six figures or more saved up.

I don't want to live in a stranger's spare bedroom and pay \$800-900/month just to have a roof over my head if any private owner would even rent to me. There is zero help in the state for those with mortgages trying to keep their homes (except loans or grants to those over 62 yrs old, if they qualify).

I'm hoping there's a quick resolution to move forward with the plans, and that smaller homes, cottages & ADUs will be affordable enough for residents like me, and for the younger generations who don't want, need or can't afford 2000 sf family homes with hefty mortgages, but want a home of their own.



Thanks!  
Theresa Montone  
3320 Marion St SE  
Albany 97322

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